

MANAGING NEGATIVE ELECTRONIC WORD OF MOUTH: A STUDY OF BRITISH HOTELS

BY

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Abstract

Previous research has shown that electronic word of mouth (eWOM) has a great impact on customers' behaviour and consequently businesses's success (Vermeulen and Seegers, 2009, Kandampully, 2008). Negative eWOM is particularly critical, as information seekers give it more attention (Lee et al., 2008). This in turn has led to an increasing interest in this phenomenon aiming to understand the problem and offer the solutions (Chen and Xie, 2008, Chen and Xie, 2005). Nonetheless, most of the studies have focused on customers' perspective in particular forgetting that what negative eWOM is, how it affects businesses and how it should be handled are parts of the sellers' reality. Therefore, using hospitality industry as a context and customer reviews (CR) as a terminal of eWOM, this research aims to shed some light on the practitioners' perspective. It mainly aims to explore what strategies managers/owners follow to respond to nCR and explain why.

Netnography combined with multi-cases were used to build an input-process-output model that shows how managers/owners respond to negative customer reviews (nCR). The inputs include managers/owners perception of nCR. Perception in turn has three dimensions: opportunity, threat, and indication of service quality. The process includes the factors that might affect managers/owners' strategies adoption decision: market strategy, overall strategy, and operation strategy. Finally, the outputs refer to the online and offline strategies that managers/owners follow to respond to nCR. Online response strategies have three dimensions: distributive, interactional and responsibility. Based on these dimensions, four response strategies were developed as follows: responsive, defensive, diplomatic and no response strategy. In terms of offline response strategies, this study has found that there are two strategies based on the time dimension which are proactive and reactive strategy.

1. Introduction

1.1. Introduction

The hotel industry in the UK is operating in a highly competitive marketplace (Sargeant and Mohamad, 1999) with increasing consumer expectations of service quality, and switching between service providers (Harrington and Akehurst, 2000). In such a case, hotels might be recommended make every effort to satisfy their customers. Satisfied customers are likely to repurchase and spread positive word of mouth (WOM) (e.g. Andreessen, 1998, Hocutt et al., 2006) which is more effective than advertising (Day, 1971, Hogan et al. 2004).

However, even with the most careful businesses, mistakes do occur especially in the services sector where customers can only evaluate the quality of services after the purchase. This in turn makes satisfying customers more difficult and service failures more frequent (Sparks, 2010). What is more challenging, however, is that most dissatisfied customers do not complain. They believe that their complaints will not be taken seriously or the cost is higher than the return (Stone, 2011). Therefore, they use different ways to express their dissatisfaction such as switching to another company and/or spreading negative word of mouth (WOM) (Davidow, 1998).

More recently, the internet has provided customers with a new and convenient option to express their dissatisfaction (Sparks et al., 2010). In the age of internet and web 2.0 technologies, a new form of WOM has been introduced, electronic word of mouth (eWOM). Customers can now visit one the reviews sites such as Tripadvisor (TA) and share their experiences with countless number of potential customers by writing customer reviews.

The huge number of customers using review sites, and the potential impact of these sites on businesses might explain the increasing attention that academics and practitioners have paid to this phenomenon. Many studies have been conducted to understand the problem and find the solutions (Brown, 2005, Chen and Xie, 2008, Lee et al., 2008). However, most of these studies have been conducted from customers' perspective. Previous research has failed to realise that what impact negative eWOM has on hotels, and how it can be handled are parts of the hotels' reality. The problem of negative eWOM cannot be fully understood without engaging hotels' managers/owners, and no practical implications can be offered without taking into account what they can or wish to do. Yet, little is known about

hotels' practices in responding to this type of complaining.

This research, therefore, aims to fill this gap in the literature and explore the problem of negative reviews from hotels' perspective. It mainly aims to build a model following a netnography combined with multi-cases study approach to explain how hotels' managers/owners interact with negative eWOM.

1.2. Research Aim

As mentioned previously, the related literature such as service recovery and WOM have been focused on the customers' perspective in particular. Therefore, this research aims to shed some light on the businesses perspective. It mainly aims to explore and explain how managers/owners respond to negative reviews.

1.3. Research Questions

This research started with a broad question:

How do managers/owners interact with negative reviews?

However, as a result of the initial online observation, it was found that managers/owners follow different strategies in responding to the negative comments. Therefore, the question was formulated as follows:

What are the online response strategies that managers/owners follow to respond to negative reviews and why?

Further analysis has shown that managers/owners refer frequently to the offline environment either to acknowledge that some changes will be made or to stress that there is no need to make any changes. Therefore, the second research question was formulated as follows:

What are the offline response strategies that managers/owners follow to respond to negative

review and why?

As a result of analysing interviews, it was noticed that there is a perception issue. Different managers/owners perceive negative reviews in different ways. Therefore, the third research question became:

How do managers/owners perceive negative reviews?

1.4. Research Objectives

As mentioned earlier, there has been great focus on customers' perspective and researchers normally conclude their research with a number of managerial implications without taking into account what hotels managers/owners are willing or able to do. However, if we claim that the research we conduct aims to help practitioners to manage their organizations, we need to work closely with them in order to create relevant knowledge based on up to date practices. We might not be able to force hotels, for example, to follow our suggestions that are built on customers' preferences, but we can explore their practices and explain them aiming to reach better understanding of the problem. This can be a starting point to introduce more practical implications. This study, hence, aims to contribute to the literature of eWOM by introducing a new and overlooked perspective. This can be achieved by developing a model that explains hotels managers'/owners strategies in managing negative reviews. In other words, explore what strategies hotel managers/owners follow and explain why. Therefore, the objectives of this study in a hierarchical order are:

1- Exploring the range of strategies that hotel managers/owners follow in responding to negative reviews

I. Develop a typology of online response strategies that hotel managers/owners follow to respond to negative reviews.

II. Develop a typology of offline response strategies that hotel managers/owners follow to

respond to negative reviews.

1- Building a model that explains how managers/owners interact with negative reviews.

1.5. Background

Tripadvisor.com is a leading company in the tourism and leisure sector, and one of the most popular review sites. This site is a search engine for hotels and restaurants. It helps customers to plan their holidays and book for hotels online. Additionally, it allows customers to share their experience about different services providers. Customers can write their opinions about the services they have had in details and end their reviews with final recommendations to the readers. While these reviews represent great opportunity, they can be a source of a threat. The later possibility is the central focus of this research. In fact, it is believed that negative customers' reviews (negative eWOM) written by dissatisfied customers might be damaging for hotels image, income and reputations (Lee and Han, 2008, Papathanassis and Knolle, 2010) However, while hoteliers cannot remove or change these reviews, they have been recently allowed to reply to these negative reviews. Therefore, this research aims to shed some light on these practices and explore the range of strategies that managers adopt to respond to these negative reviews.

2. Literature Review

From a critical realist perspective, problem formulation started by observing and explaining a particular social phenomenon (Van de Ven, 2007. P 10). If there is no satisfying explanation, the research becomes worth investigating. In relation to this research, the research problem formulation started after observing some managers'/owners' aggressive and negative responses to dissatisfied customers. Such responses are against the main principles of marketing as a theory and practice. This in turn has led to the second stage of problem formulation which is literature review. From critical realist perspective, conducting a literature review aims to find appropriate explanations of unusual observations and build a theoretical framework to the research (Van de Ven, 2007). Therefore, it is important that researchers determine the relevant literatures and review them comprehensively. In relation to this research, different literatures were listed as candidates at the early stages. These candidates were suggested by the previous research, members of the review panel, and the initial thoughts at early stages of the research process. The list included different literatures such as **WOM, service recovery, customer relationship management, complaining behaviour and public relation**. All these literatures could have been adopted for this research. Every one of them covers some aspects of the phenomenon. However, as Poggi (1965) stated: a way of looking is a way of not looking. Van de Ven (2007) suggests that there is no right or wrong choice, it is the researcher's interest what makes some explanations more appropriate. In relation to this research in particular which discusses businesses' perspective, Johnston and Michel (2008) suggests that that are lots of potential frameworks that researchers can adopt. Therefore, the options of this research were adopted based on the researcher's understanding of the problem with acknowledgment that there are other options left for further research.



Figure 1: Literatures Reviewed

More precisely, WOM, service recovery, and complaining behaviour were reviewed to conduct the literature review of this research. Indeed, these three literatures are closely related. For example, it is very common that researchers discuss negative WOM when they investigate complaining behaviour and this in turn leads researchers to stress that recovery efforts are important (e.g. Michel and Meuter, 2008, Harris et al, 2006) . In relation to this research, the combination of these three literatures has built the theoretical framework. The literature of WOM was reviewed to understand the development of this phenomenon starting from the traditional WOM which attracted scholars' attention starting from Aristotle's age (Buttle, 1998) or even before and ending with the customer reviews which is the main focus of this research. Also, justify the research options such as choosing negative eWOM rather than positive, and customer reviews rather than other platforms of eWOM. Finally, it showed the main themes in the literature.

On the other hand, service recovery and complaining behaviour were reviewed to explore the antecedents of negative eWOM in particular. Service recovery and complaining behaviour were found appropriate literature to review for this research due to its narrow focus on the negative eWOM in comparison with the other studies that focused on the positive eWOM or include both positive and negative. Additionally, complaints handling is an operational process which makes service recovery appropriate to review specially that it covers this aspect. For example, Johnston and Micheal (2008) suggest that in the case of dissatisfaction and failures both practitioners and

academics should focus on the operational side and not just customers. Bowen and Johnston (1998) argue that dealing with complaining should be seen as an internal service recovery process to show the operational nature of this issue. Finally, initial findings have shown that on one hand managers/owners try to retain customers even after posting negative reviews. On the other hand, they make some changes to the offline environment to make sure that the problem is not repeated. All these aspects are covered by the literature of service recovery. For all these reasons, service recovery and complaining behaviour literature were found appropriate and relevant.

The review was guided specifically by four main review questions as shown in the diagram below:

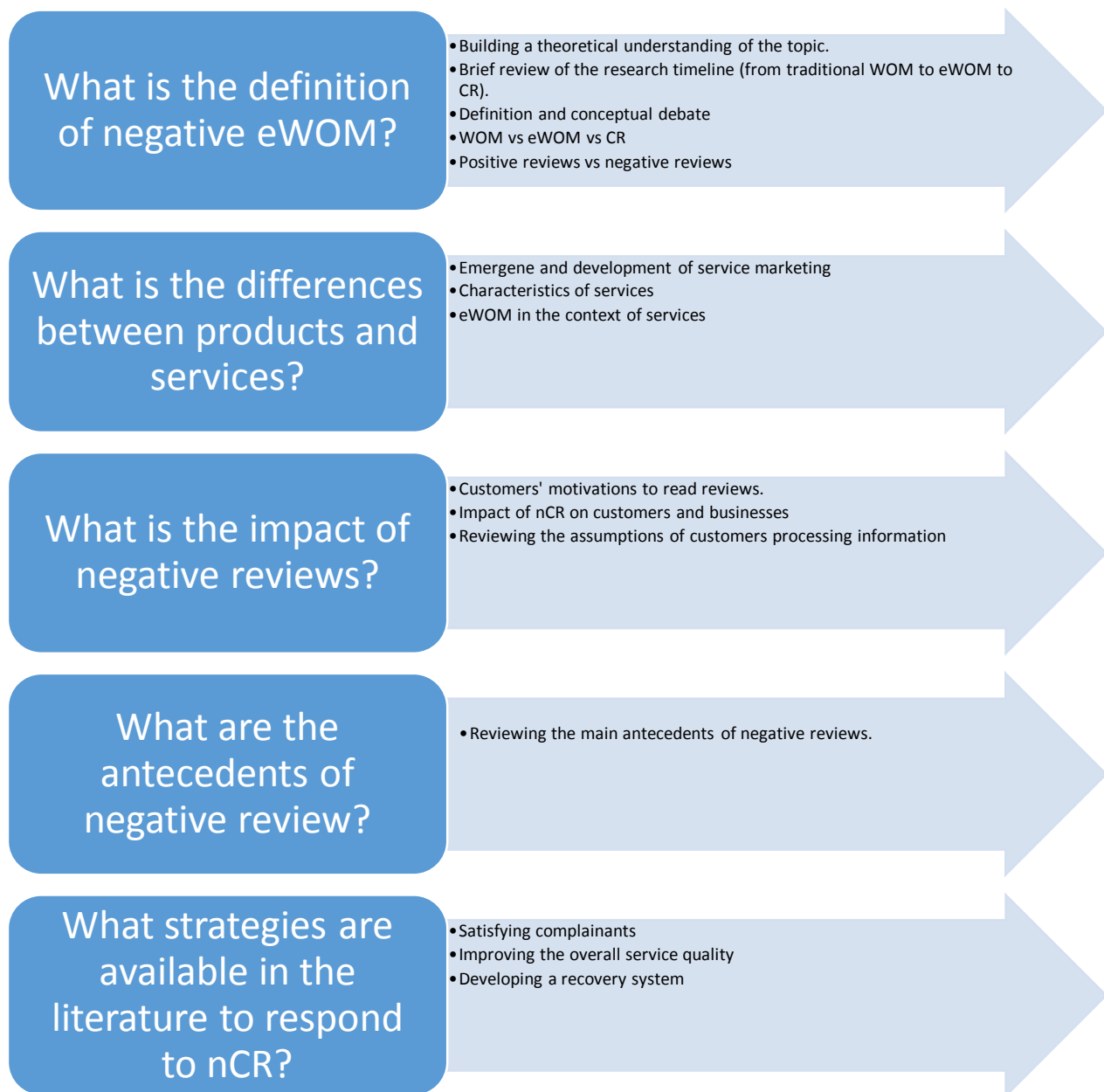


Figure 2: Review Questions

2.1. What is Negative Customer Review?

In order to provide a clear definition of negative review, it is important to understand how it has developed. Therefore, the following sections will include brief discussion of customer review development stages. This will be followed by a brief discussion of negative reviews definition and

conceptual issues. The final section aims to show some of the negative review features and aspects by comparing between this form and the well-known traditional form (WOM) and other electronic forms.

2.1.1. From WOM to eWOM to Customer Reviews

Word of mouth (WOM) has long been acknowledged as a major influence on what people do and believe (Buttle, 1998). Aristotle, for example, was one of the WOM pioneers as he emphasised that people's words can have a great influence on others' behaviour (Buttle, 1998). Aristotle might have not thought of the business applications at that time, but it is clear that he referred to what is now known as WOM. Additionally, interpersonal influence has long been recognised and investigated in the social psychology science, where it is reported that people rely on their acquaintances' views to make their choices in different contexts including those of consumption (Katz and Lazarsfeld 1955). This in turn helped to export this topic to the field of marketing in general and customers behaviour in particular (Matos and Rossi, 2008). With the emergence of internet a new digital form has emerged and become known as eWOM and with the development of web 2.0 technology which enabled normal users to contribute to the content of web sites different forms of eWOM have developed such as customers' reviews and blogs.

2.1.2. Definition

As mentioned above, customers reviews is a platform of eWOM which has originally developed from the traditional WOM. Therefore, this section will briefly review this term as discussed in the literature and then review how the electronic form has been defined.

Although the pioneers of WOM might vary in the details, they tend to share the same main ideas. For example, Arndt (1967) focused on the purpose of the communication and suggested that WOM should not be exchanged for commercial purposes. He defined it as "oral, person-to-person communication between a perceived non-commercial communicator and a receiver concerning a brand, a product, or a service offered for sale". Similarly, Merton (1968) defined this phenomenon as "a process of personal

influence in which personal communication between the sender and receiver can change the receiver's behaviour or attitudes". Westbrook (1987) defined WOM as "informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their sellers". Brwon et al (2005) suggested that WOM is a consumer-dominated channel of marketing communication where the sender is independent of the market. It is therefore perceived to be more reliable, credible, and trustworthy by consumers compared to firm-initiated communications.

Moving to the electronic form will show that there has not been a great change in the definition. For example, Hennig-Thurau (2004) defined eWOM as 'the positive or negative statement made by a potential, actual or former customer about a product or a company, which is made available to a multitude of people and institutions on the Internet (Hennig-Thurau et al., 2004). Similarly, based on the definition of WOM by Westbrook (1987), Litvin et al (2008) introduced his definition of eWOM as "all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers"

2.1.3. Conceptual Debate

Indeed, although there seems to be an agreement of WOM and eWOM definitions, there have been some discussions about the concept of these two forms. For example, Mazzarol et al (2007) argue that the concept of WOM has been oversimplified. The authors argue that the conditions and triggers of WOM were not identified clearly in the early research of WOM and therefore this concept needs to be redefined. The research team has introduced a model that shows some elements that had not been clearly discussed (Figure 3).

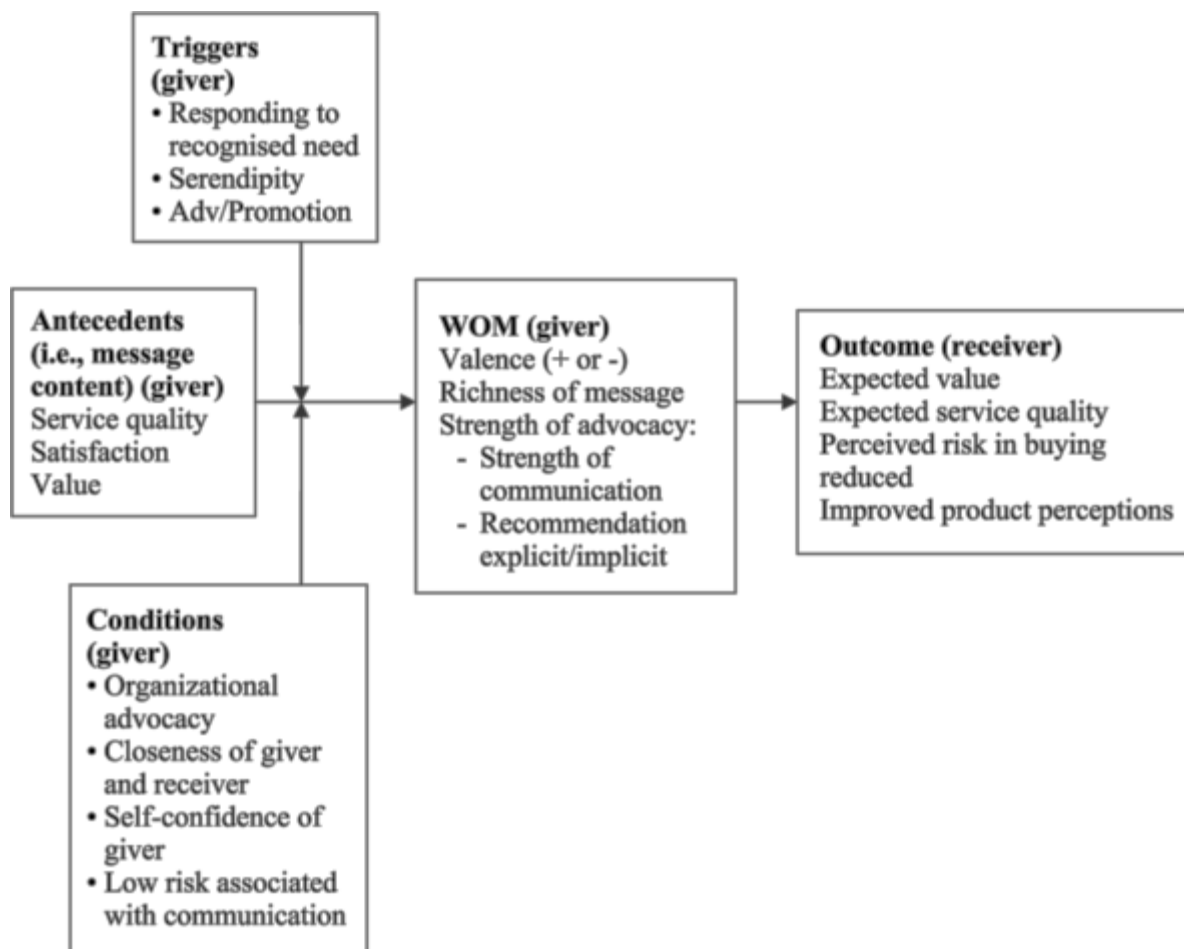


Figure 3: Conceptual model of WOM. Adopted from Mazzarol et al(2007)

The conceptual debate is still relevant in the context of eWOM. For example, Godes et al (2005) suggested that the emergence of the internet and social network added new dimensions and facets that need to be considered. They argued that the term “eWOM” does not reflect the new way of communication process. The research team, therefore, suggested the term “Social Interaction” as a broad and general term, but called or more research to fill this gap (Godes et al., 2005).

Furthermore, there are different platforms of eWOM that differ in some aspects such as accessibility, reachability and interaction. In this regard, Litvin et al (2008) introduced a two dimensional model to distinguish between some eWOM platforms based on the level of interactivity and scope of communication as shown in the figure 4 below. This in turn makes the call for more conceptualising effort more relevant.

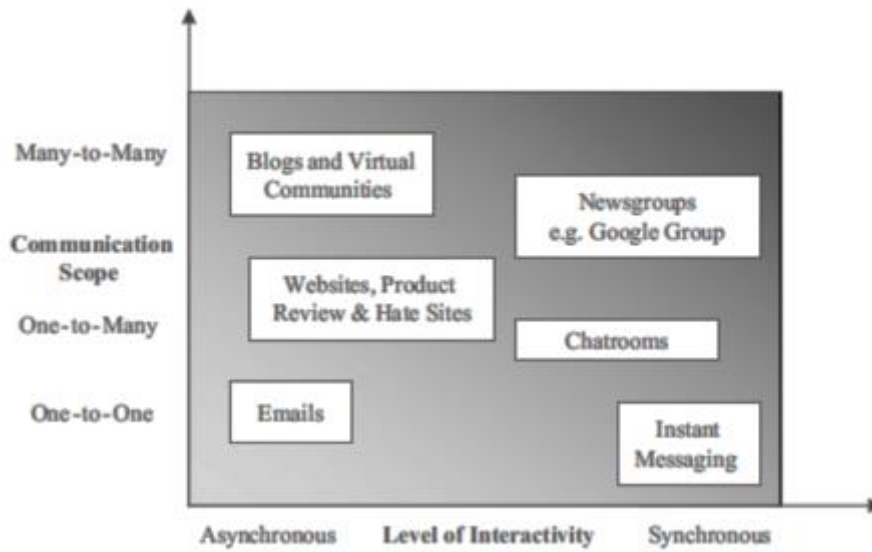


Figure 4 Two dimensional Model of eWOM Platforms. Adopted from Litvin et al (2008)

Customer reviews, the focus of this study can be defined as “peer generated product evaluation posted in a company’s or third part website” (Mudambi and Schuff, 2010, p185). This form has recently attracted more attention than other forms. In a recent review of eWOM literature, the authors found that customer reviews has increasingly been discussed in the literature of eWOM (Cheung and Thadani, 2010). This perhaps explains why the two terms, customer reviews and eWOM, are used interchangeably.

Types of eWOM	Examples	Studies
Online discussion forums	zapak.com	[8,46,78]
Online consumer review sites	Epinions.com, shopping.com	[4,15,21,28,34,36,55,57,59,64–66,71,74,77]
Blogs	Xanga.com, blogger.com	[23,57,69]
Social networking sites	facebook.com, MySpace.com	[69]
Online brand/ shopping sites	Amazon.com	[36,46,56,57,67,71–73]

Figure 5 Types of eWOM as Discussed in The Literature. Adopted from Cheung and Thadani 2010

In the relation to this research, negative eWOM is defined based on the Tripadvisor’s classifications. Based on the TA classification system, customers can give hotels any rate ranging from 5 stars for

excellent hotels to 1 star for terrible hotels. Therefore, the reviews that are classified as poor or terrible will be considered negative eWOM.

Indeed, this might be a simplification of the concept especially that the initial observation has shown that customers might complain about some aspects, even if the overall rate is 5 stars, and might praise some aspects even if the overall rate is 1 star. This means that negative reviews are not completely negative. For example, the chart shows an example of a customer rating a hotel as poor and gave it 1 star. He, however, praised the location and stated that the services were average. This might be a result of customers' priorities, inconsistency, evaluation system limitation or many other reasons. Nonetheless, as long as TA is the context of this study, its classification will be adopted. It is still, however, one of the research limitations that needs to be considered.



Figure 6: Example of Negative Customer Review That Includes Some Positive Points

2.1.4. WOM and eWOM

The traditional and electronic forms of WOM have some similarities as well as differences. Indeed, it is suggested that the electronic new form has inherited most, if not all, the traditional form's aspects (Matos and Rossi, 2008). For example, there is a wide agreement that they are both important and influential source of information. Additionally, the antecedents and motives of engaging in WOM are still relevant in the case of eWOM. (Dis)satisfaction and perceived quality are among many antecedents that both traditional and electronic WOM share (Andreassen, 2000, Matos and Rossi, 2008). On the other hand, there are some differences between these two forms. The first and most

noticeable aspect is the form in which each form is exchanged. The traditional WOM is spoken words while the digital one is written. This follows that WOM vanishes as soon as it is said, while eWOM might remain for long time. The limit of reach is another important difference between the two forms. In the case of traditional WOM two or more interested parties might be engaged while eWOM can reach countless number of customers. From an organisational perspective, these differences might make negative comments a serious concern. However, anonymity is another important difference between these two forms. In the case of eWOM, customers can express their opinions more comfortably knowing that they will not be identified. However, this might affect the credibility of the online messages (Morgan, 2006).

2.1.5. EWOM and Customer Reviews

While there are different platforms of eWOM, customer reviews has different aspects that makes it rather unique. Firstly, reviews are publicly accessible to all users in comparison with emails or posts in social media where users can restrict others from approaching their profiles (Litvin et al., 2008). Additionally, these reviews have been developed for a very specific purpose, evaluating services and products. Therefore, it might be argued that customers will approach them first when searching for information. Additionally, reviews sites have plenty of reviews for each product and service which allows customers to compare between different views and evaluate different aspects while blogs might offer one single view. Another point, reviews are published regularly and hence customers can be introduced to recent views. Last but not least, reviews sites do not offer only reviews. They also offer some other functions such as comparing between different sellers in terms of price, rate and many other criteria. This uniqueness led some researchers to suggest that customers' reviews requires further research to conceptualise the term and highlight its characteristics (Godes et al., 2005).

2.1.6. Positive Reviews and Negative Reviews

Researchers have discussed positive as well as negative WOM. However, a recent review of the WOM literature has shown that the majority of studies had focused mainly on the positive WOM while the negative WOM's threats and challenges have been given less attention. This in turn led the authors to suggest that negative WOM is an area that deserves future study (Chan and Ngai, 2010).

There are some differences between positive and negative WOM in general:

- 1 In the context of traditional WOM, negative WOM is believed to have greater impact and hence be more influential than the positive ones (e.g. Richins, 1983, Ahlualia, 2003). Some researchers argue that this is still the case in the context of customer reviews (Lee et al., 2008). This will be discussed in more details in the following section.
- 2 Negative reviews might indicate some problems with customers satisfaction, quality, services recovery and many other issues as will be discussed in the third review question. These issues, arguably, require hotels to investigate and take action (Andreassen, 2000).
- 3 Satisfying customers should be the aim that companies seek to achieve as satisfied customers are more likely to repurchase, and can spread positive WOM (Brown, 2005). However, receiving negative reviews might mean losing some of the existing customers as well as other potential customers. Therefore, negative
- 4 In the context of TA, negative reviews affect hotels overall rank and rate.

For all these reasons, negative reviews might be worth studying in more details.

2.2. What is The Differences between Products and Services?

Indeed, one of the options made in this research was selecting services rather than products as a context. In order to justify this option, the following paragraphs will discuss very briefly the emergence and development of service marketing, the characteristic of services and eWOM in the context of services.

Interestingly, the emergence of service marketing in general was a result of engaging practitioners in the academic discussions which is the main argument of this research. The pioneers of service marketing argued that engaging practitioners was important to better understanding of marketing both in theory and practice. This in turn has led to build a new field which is now known as service marketing (Berry and Parasuraman, 1993). The field started by showing the main characteristics of services which are intangibility, heterogeneity, inseparability, and perishability (Gordon et al. 1993).

However, it has expanded to include different issues and problems. In this regard, Kunz and Hogueve (2011) has conducted a recent review to explore the past, present and future research of services marketing. The authors found that there are 17 topics that have been prominent in the service marketing field as shown in the table below.

Topic	Description
Commitment & loyalty	Assessments of the antecedents and outcomes of customer commitment and loyalty in service settings.
Complaint Handling & Service Recovery	The management of customer complaints and service recovery. Research accounts for customers or employees' responses to service failures.
Customer Coproduction	Motivation of customers to produce services
Customer Contact Employees	Theories and empirical assessments of frontline employees' empowerment, satisfaction, and motivation
Customer Switching	Analyses of customer switching behavior and barriers to customer switching.
Financial Performance	Research focusing on identifying the return on marketing strategies
Nucleus of Service Research	Service characteristics and classifications, differentiation between goods and services, management of service Encounters
Online Service	Transfer of insights into the measurement of service quality to online contexts and comparisons of different service delivery Channels.
Relationship Marketing	Assessments of factors influencing relationship marketing in service settings
Service-dominant Logic	Discussions of the service-dominant logic for marketing.
Service Evaluation	Antecedents and consequences of customer evaluations of service delivery.
Service Profit Chain	Analysis of the link between internal and external marketing activities as implemented in the service profit chain
Service Quality	Assessment of customers evaluation and perception of services quality
Service profit Chain	Analyses of the link between internal and external marketing activities as implemented in the service profit chain.
Service quality	Assessments of customer evaluations and perceptions of service quality. Marketing and management implications of a service quality strategy including SERVQUAL and alternative approaches.
Services capes	Theoretical considerations and empirical evaluations of (physical) service Surroundings.
Technology Infusion	Consumers' adoptions and evaluations of technology-based service encounters.

Figure 7: The Main Themes In The Literature Of Service Marketing 1992-2009. Adopted from Kunz and Hogueve (2011)

The author has also highlighted seven topics for being promising for the future:

1. Coproduction to enhance service processes
2. Managing B2B services and service infusion
3. Enhancing and managing the service value chain

4. Return on service marketing decisions
5. Managing dynamic customer relations and assets
6. Analysing customer retention and churn
7. Complaint handling and service recovery

In relation to complaining in general, services characteristics represent some challenges for both sellers and customers. Intangibility in particular means that services cannot be seen, felt, tasted, inspected, or touched in the same manner as the physical products which makes service failure and dissatisfaction more frequent and more difficult to handle. This in turn makes customers perceive higher risk when purchasing services and therefore tend to collect more information to make sure that they take an informed decision. In this regard, WOM in general and eWOM in particular are known for being a reliable source of information that customers can use. For example, Sotiriadis and Zyl (2013) found that there are three factors that make eWOM very influential in the case of purchasing tourism services:

- 1- Reliability
- 2- Degree of involvement
- 3- Expertise and knowhow

According to the authors, these findings should draw the tourism services providers' attention to eWOM. Yet, the literature of WOM has been focused on the products. According to Yolanda et al (2011) the service context represents a gap in the literature of eWOM that should be filled.

2.3. What is The Impact of Negative Reviews?

The previous section has given a brief discussion of customer reviews definition, development, and main aspects. This section aims to discuss the impact of customer reviews in general and negative ones in particular. It mainly aims to discuss three sub-questions

1. Do customers use reviews? If so, why?
2. To what extent do these reviews affect customers and business?
3. Are there any differences between the impact of positive and negative reviews?

The following section will discuss these sup-questions.

2.3.1. Do Customers Use Reviews? If So, Why?

Indeed, the impact of WOM has been the main theme in the literature of WOM in general (Pyle, 2010). Researchers have asked different questions, such as who says what, where, when and why? (Chan and Ngai, 2011, Breazeale, 2009). However, the impact of WOM on customers and companies has been given more attention (Dellarocas, 2006, Dellarocas et al., 2007, Hu et al., 2008, Trusov et al., 2009).

Research has shown that customers use reviews as a main source of information (Hennig-Thurau and Walsh, 2004). Customers use their counterparts' experiences to make more informed decisions especially when the perceived risk is high. The table below shows some of the reported reasons of consulting reviews.

MEAN AVERAGE (1=STRONGLY AGREE 5= STRONGLY DISAGREE)	MOTIVE FOR CONSULTING WOM
2.027	Risk reduction
2.155	Reduction of search time
2.579	To learn how a product is consumed
2.912	Dissonance reduction
2.529	Determination of social position
2.854	Belonging to virtual community
3.253	Remuneration
2.954	To learn about new products

*Table 1*Adopted from :Motivation of Reading Customer Reviews. Adopted from Hennig-Thurau and Walsh's (2003), cited in Clare (2013)

Goldsmith and Horowitz's drivers of EWOM consultation (2006)		
EXAMPLE OF QUALITATIVE COMMENT	FREQ (%)	MOTIVES
"I wanted to make sure I got the cheapest ticket I could get"	21.1	Maximise product benefit to cost
"The internet is the easiest way to get different and often very opposing views on a subject"	19.1	Reducing Search Effort
"My friend told me about a new camera so I went online to find out more about it"	17.2	Peer Influence
"I knew I could get an unbiased opinion from someone who was not trying to sell me something"	15	Act and think independently
"With the internet I can get the variety of views from people who like and dislike the product"		

"I was instant messaging my friend about personal stuff and the product randomly came up and I bought it"	11.5	Passive search
"I wanted to get information from other people who had already purchased the product"	8	Reduce risk
"I like watching movies and I enjoy reading reviews about them"	8	Miscellaneous

Table 2 Customers' Motivations Of Reading Reviews. Adopted from Goldsmith and Horowitz (2006), cited in Clare (2013)

While most of these motives might be relevant regardless the products and services a customer might intend to buy, Klim et al (2011) mentioned some more motives when booking for a hotel.

FACTOR DETAIL	Theme
Because it's the fastest way to get information Because it's convenient to search from home or work Because going online is the easiest way to get information Because I am able to compare different hotels easily In order to get the best value for money	Convenience and quality
Because I like being part of community Because I enjoy participating in the experiences of other community members Because I get to see which topics are in	Social reassurance
Customer reviews help me to make the right buying decision To benefit from other's experiences before I book a hotel room	Risk reduction

Table 3 Customers' Motives for Reading Online Hotel Review. Kim et al (2011)

Indeed, with millions of hits reported by TA and many other reviews sites, it can be acceptable to assume that customers reviews are used frequently. However, the question is: **to what extent do these reviews affect customers? Are there any differences between positive and negative reviews?**

2.3.2. To What Extent Do These Reviews Affect Customers and Business?

In terms of impact, previous research has shown that customer reviews can affect customers as well as companies in different ways. These reviews can affect customers' decisions, attitudes and judgement (Gruen et al., 2006, Vermeulen and Seegers, 2009). It also affects businesses' sales, images and reputations (Chevalier and Mayzlin, 2006, Zhu, 2010). Some researchers argue that this

can be even more relevant in the case of negative WOM as customers give more attention to negative information (Ahluwalia, 2003). However, this view is not without challenges. Some researchers have argued that the impact of WOM is not definite, nor linear. Additionally, they argue that the impact of negative WOM particularly might have been overestimated in some cases (Gruen et al., 2006, Khammash and Griffiths, 2011).

Generally speaking, the impact of eWOM is discussed in the literature at two levels, individual level and companies' level (Lee and Lee, 2009). In the following section the impact of negative reviews on customers and companies will be discussed in some details.

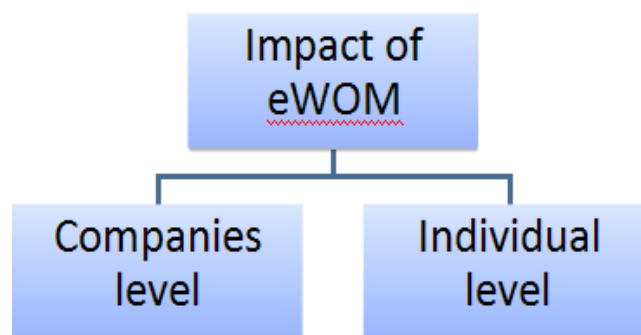


Figure 8: Impact of Customer Reviews Lee and Lee (2009)

2.3.2.1. Individual level

Ardnt (1976) is one of the pioneers who highlighted the importance of WOM. Since then, more research has been conducted to understand the impact of WOM. The research has shown that WOM is nine times more effective than advertising because customers believe that their acquaintances' opinions and experiences are more credible and useful (Day, 1971). This is mainly due to the absence of commercial bias (Sunderland and Rosengren, 2007). Additionally, customers have admitted that acquaintances' advice was one of the main reasons to buy a new product or service (Wangenheim and Bayón, 2004).

Similar to the traditional form, the new form has been given extensive attention. Studies have shown

that the new digital form has inherited, almost, all the aspects of traditional WOM and the previous findings have been confirmed (Breazeale, 2009, Chan and Ngai, 2011). As mentioned previously, customers visit review sites for different reasons such as collecting information about the services and products they want to buy (Kim et al., 2011). Additionally, customers trust what other similar customers say and hence these reviews have been found to be influential (Duan et al., 2008).

In terms of the impact, different researchers have investigated the impact of reviews and WOM in general. In this regard, Cheung and Thadani (2012) provided a comprehensive model that summarises all the key studies in this area. The authors suggested that the scope of published papers on this issue is large and fragmented. Therefore, they introduced an integrative model that combines all the previous studies using social communication as a framework as shown in figure 8. Indeed, this is one of the few studies that tried to introduce a wider picture of the impact and effectiveness of eWOM which might make it a foundation for any further research. The following section will discuss this model with focus on the impact of negative reviews in particular.

According to Cheung and Thadani (2012), the studies that discussed the impact and effectiveness of eWOM can be classified into four main groups:

- 1 Stimulus (content)
 - a. Argument quality
 - b. Valence
 - c. Volume
- 2 The communicator (source)
 - a. Source credibility
 - b. Attribution
- 3 Receiver (audience)
 - a. Involvement
 - b. Prior knowledge
- 4 Response (main effect)
 - a. Attitude
 - b. Purchas intention
 - c. Purchase

The following sections will discuss these elements briefly.

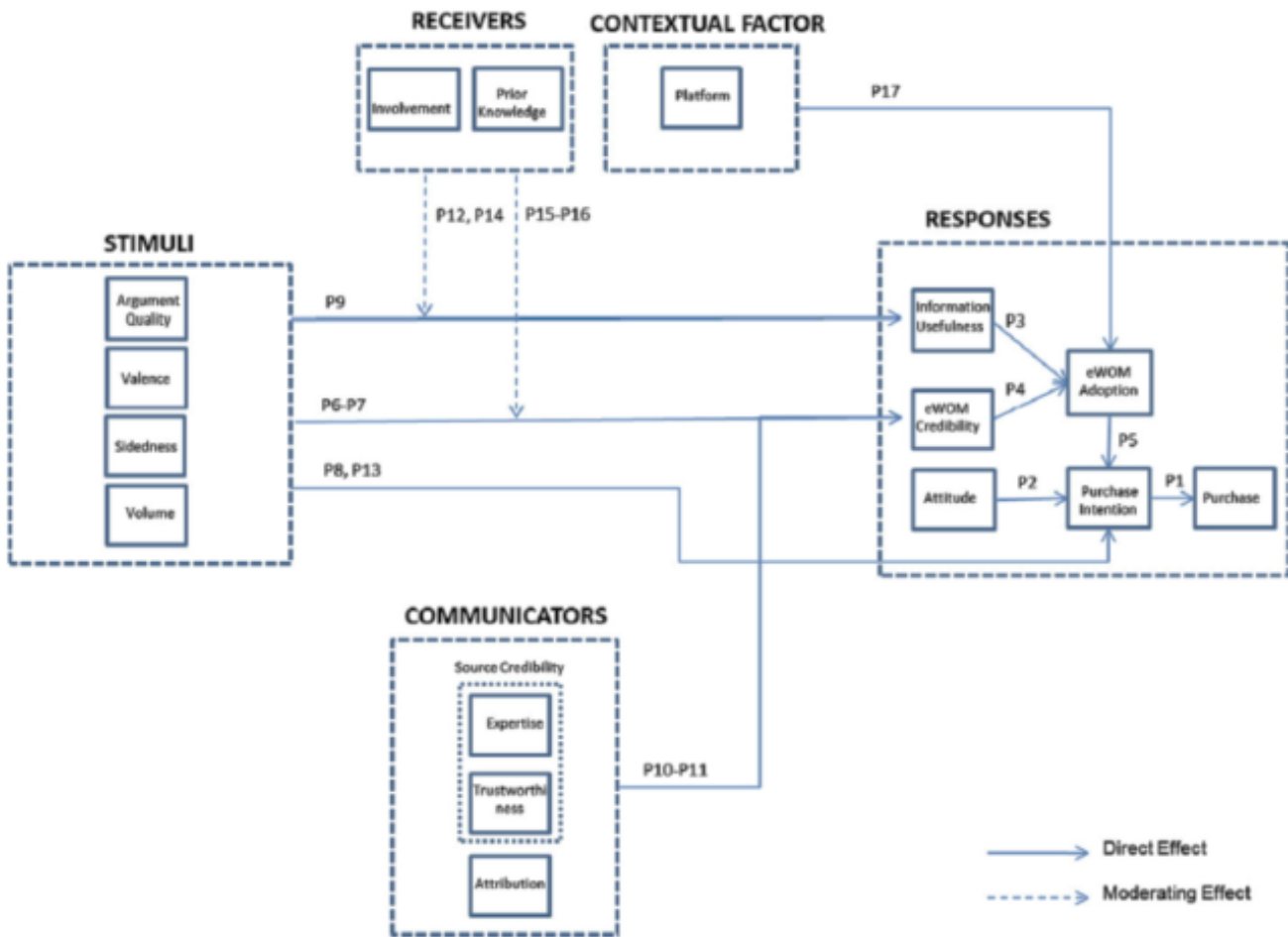


Figure 9 Integrative Model of Customer Reviews Effectiveness. Adopted from Cheung and Thadani (2010)

2.3.2.2. Stimulus (Content)

2.3.2.2.1. Argument Quality

The quality of the reviews refers to “the strength or plausibility of persuasive argumentation” Reviews’ quality has been given far more attention in the literature than the quantity of reviews. It has been considered as a central route in comparison with quantity of reviews which might be

peripheral cues (Cheung and Thadani, 2012). While it is believed that customers will look at the overall rate and quantity of reviews, it is suggested that they will give considerable attention to the quality of reviews (O'Mahony and Smyth, 2010).

In this regard, studies have shown that strong messages in general, understandable and objective, are more effective than emotional and subjective ones which can be considered weak (Vermeulen and Seegers, 2009). In the context of eWOM, Park et al (2007) suggested that the reviews that are logical and persuasive, with sufficient reasons based on specific facts about the product, have a strong positive effect on purchasing intention. In contrast, reviews that include more about the personal emotion and just simply make a recommendation without stating any further information are less influential.

Additionally, high quality reviews might lead to more sales even if they are negative. For example, a recent study has shown that negative reviews had positive impact on books sales (Sorensen and Rasmussen, 2004). The authors explained that informative reviews might more be important than persuasive reviews. In this regard, O'Mahony and Smyth (2010) suggested that reviewers can be either recommender who try to convince readers or informers who describes the products and services leaving the final decision to the reader. In relation to the context of this research, hotels, customers differentiate between failures types that they encounter themselves (e.g. Gremler, 2004, Sparks, et al., 2010). For example, delay in checking in might not be as serious as booking cancellation. Therefore, they might not look at all reported failures equally. In this respect, (Park et al., 2007) suggested that when customers read the reviews they decide whether the stated points are real problems that will prevent them from visiting the hotel.

2.3.2.2.2. Valences

Valence refers to the availability of positive, neutral, and negative WOM. This notion measures the nature of the eWOM messages and whether it is positive or negative (Liu, 2006). Indeed, the variety of opinions was discussed previously in the context of traditional WOM and even long before in other related literature such as impression forming (Leary and Kowalski, 1986). However, in the context of eWOM, studying the valence might be different. In the case of traditional WOM, experiences might be exchanged between different parties where it might or might not be balanced.

On the other hand, in the context of eWOM, the communication can be one to many mode such as customers reviews. Reviews are displayed at the same time and place which allows customers to consult different reviews before making a decision.

The findings of valence impact on customers are inconsistent. On one hand, some scholars suggested that people in general give more attention to the negative information. For example, Fiske (1993) warned that negative information might be more influential in forming people's impressions (Fiske, 1993). Smith (1999) noted that customers give more attention to service failure and therefore negative information will be given more weighting than positive information. Additionally, it is suggested that negative news are more attention grabbing (Park and Lee, 2008) customers admit spending longer times reading negative reviews and admit that they are more influential. Park and Lee (2008) showed that negative eWOM has a stronger influence on eWOM effect than positive eWOM.

On the other hand, Vermeulen and Seegers (2009) argued that negative reviews might not be as harmful as some studies show. The author suggested that negative reviews are less likely to affect well known hotel and might increase customers' awareness of less known hotels. Similarly, Gruen et al (2006) found that customers did not give negative reviews more weight.

In order to solve this contradiction, Park and Kim (2008) suggested that the effect of online reviews valence is situation dependent and may change under the moderation of consumer expertise. Customers with low knowledge and expertise are more likely to be affected by customer reviews. This point will be discussed in more details in the following sections.

2.3.2.2.3. Volume (Quantity)

The question that might be raised about the quantity of reviews is: is it the quantity of reviews that affects the sales, or is it the popularity of products and services that lead to more reviews? These two views will be discussed briefly in the following section.

In the first case, Park and Lee (2008) argued that customers might rely on the overall rate as

indication of the popularity and quality of products and services (Park and Lee, 2008). Customers develop their attitudes with more confidence when the overall rate is obvious and the consistency among reviews is clear. On the other hand, when the overall rate is neutral and customers seem to disagree with each other, information seekers in this case look at these reviews as confusing and less useful (Vermeulen and Seegers, 2009). That might indicate that customers will be more confident booking high rated hotels, and avoiding low rated hotels. However, it also means that customers will follow different criteria to evaluate hotels with average rate or mixed reviews.

In the second case, it is argued that the popular movies, for example, motivate customers to engage in eWOM and therefore the number of reviews is an indication of the movies popularity and not the vice versa (Duan et al., 2008). Indeed, Godes et al (2005) argued that caution should be taken when we examine the relationship between the reviews and the products' popularity. Reviews might be an indication and result of the products' popularity rather than a factor that leads to more sales.

In relation to negative reviews in particular, the presence of negative reviews might increase the perceived credibility of the site and other positive reviews. Additionally, a small number of negative reviews might not necessarily affect businesses Vermeulen and Seegers (2009). Little is known, however, about the acceptable number of negative reviews by customers which makes it a question for further research (Dargan, 2008, Doh and Hwang, 2009).

2.3.2.3. Responses

This construct refers to the psychological or physical responses to the senders' messages. According to Cheung and Thadani (2012) responses can be classified into three main groups,

1. Attitude
2. Purchase intention
3. Purchase

The relationship between attitude, purchase intention and purchase have been confirmed in the literature of consumer behaviour. For example, Chang et al (2005) found that attitude consistently exhibits significant impact on online purchase intention in prior online shopping literature, while

online purchase intention has a positive impact on online purchase. In the context of eWOM, it was found that positive reviews lead to more favourable attitudes toward new sites (Jeong, 2011). Negative reviews, on the other hand, might not necessarily lead to negative attitude. Sorensen and Rasmussen (2004) found that even if negative reviews led to lower attitudes, it might increase the brand awareness which in turn increases its chance to be considered.

2.3.2.4. Receiver

2.3.2.4.1. Customers' Experience

Few studies have examined the relationship between customers' expertise and WOM in general. Additionally, most of these studies have examined products in particular which might question their relevance and applicability to the services. For example, in relation to this research, different hotels might offer different services and therefore customers might need to search for some information before booking even if they have some previous experience. Therefore, it might be interesting to examine the relationship between customers' level of experiences and their usage of eWOM.

Gruen and his research team (2006) have suggested that the impact of WOM is not absolute and can be moderated by the product type and customers' experience (Gruen et al., 2006). The authors have differentiated between experience goods and search goods and suggested that WOM is more important for the new and complex products about which customers do not have enough information about. However, this importance declines when customers have enough knowledge and experience about products and services or when they buy simple products (Gruen, et al., 2006). Gruen and his colleagues examined the relationship between customers' expertise and their use eWOM. They suggested that expert customers might approach eWOM for more information about products attributes while less experienced customers might look for information about the main benefits.

Another example offered from film the industry shows that there is a direct impact of eWOM on infrequent moviegoer especially when it is negative. However, this impact is less "observable" on the frequent moviegoers. These customers rely on their own experience that which leads them to place less weight on the other customers' views. Additionally, they might consider critics' views more than the normal views written by similar customers (Duan et al., 2008).

2.3.2.4.2. Involvement

According to Park et al (2007) involvement is ‘the perceived personal relevance of a product based on the individual consumers’ needs, interests and values. It refers to the personal relevance or importance of a product/service. Prior studies have already empirically shown how involvement moderates the eWOM effect in consumer decision process. For example, Lee et al (2008) demonstrated that as involvement increases, the effect of negative eWOM is greater for high-quality eWOM than for low-quality eWOM. Park and Lee (2007) also found that for high involvement receivers, the perceived informativeness of eWOM message has a higher effect on purchasing intention than the perceived product popularity. When individuals have higher involvement, they have greater motivation to engage in effortful cognitive activity through the central route. When individuals have lower involvement, they tend to rely on peripheral cues during information processing. Therefore, it is proposed that consumer involvement might moderate the relationship between eWOM quality and information usefulness. It also moderates the relationship between eWOM quality and purchase intention (Cheung and Thadani, 2012)

A second study focuses on the product knowledge aspect of involvement (Park and Kim, 2008) and shows that experts viewed attribute centric reviews as being more informative and helpful, whereas novices viewed benefit centric reviews as being more helpful. The study also provides evidence to suggest that the effect of quantity of reviews on purchasing intention affects novices more so than experts. Hence one could deduce from this that the level of involvement can affect the potential influence of various review determinants (Park and Kim, 2008).

2.3.2.5. Communicators

The communicator refers to the person who transmits the communication. In the context of traditional WOM, sender (the information source) is known to the receiver. Therefore, the perceived credibility is high. On the other hand, eWOM in review sites platform particularly is written, in most of the cases, by unknown people which might raise some concerns about their credibility. In this regard, attribution theory explains how people make causal inferences regarding why a communicator advocates and behaves in a certain way (Laczniak et al., 2001). When receivers

attribute the communicator's review to product reasons (stimulus), they will perceive the review to be credible, and will consider it useful. On the other hand, when receivers attribute the review to reviewer reasons (non-stimulus), they suspect his/her underlying motives of writing such a review, and are less likely to be persuaded by that review (Lee et al., 2009). In other words, how receivers attribute the communicator's message has an effect on the persuasiveness of the message.

2.3.2.6. Brands' Popularity

Even though not mentioned in Cheung's and Thadani's (2012) model, the brands' popularity can be one of the important moderators that might affect the impact of the reviews. Indeed, it is believed that even though customers are believed to place more weight on the negative news and information, well-known brands are less vulnerable (Hoyer and MacInnis, 1997, Sundaram and Webster, 1999). In this regard, Laczniak et al (2001) argued that even when customers are exposed to negative information about well-known brands, they are less likely to be affected. Similarly, loyal customers and those who have pleasant experience are less likely to change their views even if they were exposed to negative news. It is suggested that this is due to the nature of human who prefer to keep the good news (Vermeulen and Seegers, 2009).

2.3.3. Processing Information

In the previous section, the views were displayed about the impact of reviews on customers' decisions. This section will review the assumptions behind the impact of customer reviews in general and how customers process them as a source of information.

Indeed, many of the studies participating in this debate seem to follow the American approach to consumer behaviour (Bareham, 2004). Based on this approach, customers are viewed as information processors who engage in a rational, scientific, deliberate and cognitive process leading to a purchase choice (Arnould et al., 2002, Peter et al., 1999, Solomon et al., 2002). They assume that customers assemble all the alternatives follow logical rules of self-interest, use careful cognitive processing, and gives equal attention to each option, before making a purchase.

Indeed, even while accepting this view, it can be argued that reviews can increase or decrease hotels'

chances by increasing customers' awareness of the available alternatives. However, which hotel a customer might choose might be a multi-stage process where reviews can be used beside many other criteria.

This point seems to be missed in many of the existing studies. Many researchers have employed game theory to test the impact of reviews (e.g. Chen and Xie, 2008, Chevalier and Mayzlin (2006)). This artificial method is unlikely to grasp the complexity engaged in customers evaluating the alternatives. For example, researchers might set an experiment that shows that hotels are similar in most of the aspects but have different ranks and different reviews. This method will show how much customers evaluate their counterparts' opinions and recommendations. However, the main assumption of these experiments is questioned as hotels do differ in their prices, locations, and facilities. Therefore, even when reviews are believed to be important, it is essential to understand that there are many other variables that might have similar impact.

Indeed, the assumption that customers are rational in assessing the information has been challenged by different researchers following a postmodern approach (Williams, 2002, Gottdiener, 2000) Based on this approach, customers are not necessarily rational information processors in the same way that the first school has suggested. Customers are rather unpredictable, rarely follow any rules and are more likely to change them from time to time. Additionally, customers' decisions are more likely to be context dependent and require different ways of assessing the alternatives and processing the information. Post-modern perspectives on consumption accept that consumers are rather fickle and changeable. For example, Thomas (1997) stated "Consumers have never been so unpredictable, hence consumer research is incapable of providing insights required by market decision makers" (Thomas, 1997). Carpenter and his team stated "buyers use a variety of decision strategies to choose among alternatives and the strategies are context dependent. Buyers use different rules for different occasions"

In relation to Tripadvisor, it might be reasonable to assume that customers will follow different research strategies apply different criteria on different occasions (Williams, 2002, Gottdiener, 2000). While a customer might choose the cheapest option in one occasion, he might go for a more expensive option in other occasion. Customers might apply specific criteria when they visit a hotel to spend their annual holiday, and apply completely different criteria when visiting a hotel for a weekend stay.

As it can be seen, most of the studies have simplified the impact of customers reviews by suggesting a direct impact on customers without taking into account the importance of some moderators such as price, customers' own criteria, brand name and others. Additionally, most of these studies followed the American approach by assuming that the customers are rational information processors who follow a set of rules to choose between alternatives. This can be a problematic as some researchers have warned that customers do not follow rules and might apply different criteria in different occasions. The following section will discuss how researchers have evaluated the impact of eWOM on companies.

2.3.4. Market-level Impact

Indeed, most of the studies discussing the impact of eWOM have focused on customers particularly. However, even though limited, some studies have examined the impact of eWOM on companies. For example, Chevalier and Mayzlin (2006) examined the relationship between customer reviews and book sales. They suggested that there is strong relationship between book sales online and both the number and length of positive customers review. Similarly, it was found that there is enough evidence to accept the link between WOM and movies sales (Liu 2006, Duan et al., 2008). This relation has been examined in the context of services and has been accepted again (Peltier et al. 2003). Another group of studies examined the impact of eWOM on companies' image and reputation. It has been suggested that positive eWOM has a great influence on customers' attitudes toward companies (Berger, 1988, Walsh and Beatty 2007). For example, the restaurants that are advised by reviewers have better chance to be visited (Longart, 2010).

In relation to this research, negative customer review and the impact on companies is still inconclusive. On one hand, some researchers argue that negative reviews can affect companies more than positive ones. On the other hand, others argue that negative eWOM might not as harmful as suggested in the literature. For example, Lee et al (2008) found that the more negative reviews a product gets the less favourable it becomes. Zhu and Zhang (2010) suggested that negative ratings have a larger impact than positive ratings and can be more influential for less popular products. Ye et

al (2009) found that more variation in the customer reviews might lead to sales drop by around 10%. In the same vein, Clemons and Gao (2008) suggested that the absence of extremely negative reviews can be the best predictor of sales.

On the other hand, some researchers argue that the impact of negative reviews might not be as harmful as previous studies have shown. For example, Vermeulen and Seegers (2009) suggested that negative reviews might increase brands awareness. Similarly, Sorensen and Rasmussen (2004) found that negative reviews might lead to increase books sales if they are informative. Additionally, the presence of negative reviews increase the overall perceived credibility of the site and other positive reviews. The table below shows a summary of some of the articles that examined the impact of reviews on sales.

Article	Year	Findings
Amblee and Bui	2007	Book sales are correlated to the number of reviews, the reputation of the author, and the reputation of complementary goods, book ratings by readers are not a good predictor of book sales.
Clemons et al.	2006	Variance of ratings plays a significant role in determining which new product sales grow the fastest in a review of the beer industry.
Zhu and Zhang	2006	Online reviews have a significant influence on sales, one point increase in average rating is associated with a 4% increase in sales, negative ratings have a larger impact than positive ratings, reviews are more influential for less popular products.
Chen et al.	2004	More recommendations improve sales, consumer ratings are not related to sales, the number of consumer reviews is positively associated with sales, and recommendations work better for less-popular products.
Godes and Mayzlin	2004	The more conversation there is about a product the more likely someone is to be informed about it and the greater the sales.
Henning-Thurau and Walsh	2004	Consumers read online articulations to save decision making time and make better buying decisions, these motives influence their behaviour.

Table 4: Impact of Customer Reviews

One of the main limitations of these studies is the lack of real sales figures from companies. Companies' real sales are difficult to obtain. This in turn led the researchers to examine the link indirectly. For example, Ye et al (2009) used reviews number as a proxy of sales. Such a practice can lead to questioning the findings and suggested links between reviews and sales. Additionally, the

direction of the relationship between sales and reviews should be considered. It is mentioned above that reviews might lead to more sales, but huge sales might be a result of the products popularity which in turn generates more reviews.

As can be seen, the impact of reviews can be overestimated as there is an urgent need to examine some of the main moderators that normally affect customers' decisions. Additionally, it has been simplified as customers are assumed to be rational information processor and hence predictable. Furthermore, the impact of review on sales is still to be examined especially that the researchers have used either experiments or proxies. Therefore, this study will examine the impact of reviews on sales from sellers' perspective. Exploring hotels' perception can be add new insights to the discussion of the negative reviews impact.

2.4. What Are the Antecedents and Motives of Negative Reviews?

According to Buttle (1998), the main questions that had been given great attention are: why customers engage in WOM process and what its impact? These questions are still relevant in the context of traditional WOM, not to mention the new digital form (Matos and Rossi, 2008, Chan and Ngai, 2011). Generally speaking, eWOM has, almost, the same antecedents that the traditional form has. Nonetheless, being digital has led some researchers to suggest that more variables should be examined in the new context (Liang 2013). Therefore, different studies have been conducted to define the antecedents and motives of engaging in eWOM . This in turn has led to more variables and mediators. This section, however, will discuss the antecedents of negative eWOM in particular (Liang et al, 2013, de Matos and Rossi, 2008).

Different researchers have reviewed the literature of eWOM particularly to provide a holistic view of the suggested antecedents. Matos and Rossi (2008) provided an extensive review of both traditional and electronic WOM using meta-analysis. One year later, Breazeale (2009) conducted another extensive review applying paradigm funnel. Chan and Ngai (2011) also contributed to this discussion and used an input-process-output model to analyse the literature of WOM. More recently, Cheung and Thadani (2012) introduced an integrative model to explain the motives and impact of eWOM. Finally, Cantallops and Slavi (2014) contributed to the debate by reviewing the research of eWOM in the context of hotels in particular. Indeed, these articles can ease the process of literature review for

any future research in this phenomenon. In relation to this research, however, it was important to review literature of complaining behaviour and service recovery to draw a holistic picture of the negative eWOM antecedents.

2.4.1. Dissatisfaction

2.4.1.1. Definition

Satisfaction is simply the result of customers' comparison between expectations and perceptions. If customers' expectations are met, they become satisfied and if their expectations are not met they become dissatisfied. Therefore, dissatisfaction is a result of the gap between customers' expectations and their perception of products and services quality (Oliver, 1997).

Satisfaction, in general, has long been associated with WOM. Satisfied customers might engage in positive WOM while dissatisfied customers engage in negative WOM (Arndt, 1976). However, it is suggested that dissatisfied customers are more likely to express their dissatisfaction and engage in negative WOM (Breazeale, 2009). For example, Richins (1984) warned that people are more likely to communicate negative attitudes to more people than positive attitudes. Even though this is not the only option that dissatisfied customers have, as theoretically customers can complain directly to the companies or to a third party, it is the most common one.

2.4.1.2. Intensity or Level of Dissatisfaction

While dissatisfaction in general explains and predicts customers engagement in negative WOM, the level of dissatisfaction affects this intention. Many studies have found a significant relationship between dissatisfaction intensity and complaining (internally or externally) or complaint intentions (Bearden and Teel, 1983, Mittal et al., 2008, Richins, 1983, Voorhees and Brady, 2005). Richins (1983) suggested that as dissatisfaction grows, the tendency to engage in negative WOM increases. In the same vein, Cho et al (2002) found that the degree of dissatisfaction influences propensity to complain. Jacobs (1996) found that highly dissatisfied cable subscribers tended to complain more than those who were less dissatisfied. Funches et al (2009) found that when consumers are very dissatisfied, they may not limit themselves to just negative WOM but may also seek retaliatory

behaviours.

2.4.1.3. Dissatisfaction with Recovery

Satisfaction is not limited to the customers' perception of the products performance or service delivery. It also includes customers' perception of the recovery in the case of failures (Davidow, 1998, Andreassen, 2000). In this regard, WOM has long been associated with service recovery literature (Davidow, 1998, Andreassen, 2000). Researchers investigating service failure and recovery have extensively looked at customers' intention to engage in WOM processes. They found that when customers are satisfied with the recovery they become motivated to spread positive WOM or at least less likely to spread negative WOM. On the other hand, failing to recover makes customers more frustrated and more likely to engage in negative WOM (Michel and Meuter, 2008).

2.4.1.4. Dissatisfaction and eWOM

Indeed, this debate is still relevant in the context of eWOM and most of the findings mentioned above have been confirmed in the context of eWOM. In this regard, Lala and Priluck (2011) suggest that there is no reason to believe that the relationship between dissatisfaction and customers' tendency to spread negative eWOM is different. However, according to (Liang, 2013), the electronic form of WOM might have its uniqueness. The research team argues that posting reviews online depends not only on personal motives such as expressing satisfaction level, but also on the degree of their adoption of electronic communication technology. Those who choose to share their experiences online might be more comfortable with using the new technology.

2.4.2. Service Quality

Service quality has been one of the major themes in the literature of service marketing for decades Kunz and Hogueve (2001). This in turn has led to many definitions of the term. Grönroos (1982) described the total service quality as customer's perception of the gap between the expected service and the perceived service. Similarly, Parasuraman et al (1985) defined service quality as the

comparison between customer expectations and perceptions of service. Asubanteng et al (1996) suggested that service quality is the difference between customers' expectations for service performance prior to the service encounter and their perceptions of the service received. Gefan (2002) offered similar definition but refers to customers' judgement as a subjective comparison that customers make between the service quality they require and what they actually experience.

Indeed, despite the fact that different researchers have discussed the service quality, Parasuraman et al (1985) and Parasuraman et al (1988) "Service Quality Model" have been credited as main contributions in the literature of service marketing (Kunz and Hogueve, 2011). Based on Parasuraman et al.'s (1988), there are five dimensions of service quality:

1. Reliability.
2. Responsiveness.
3. Tangibles.
4. Assurance.
5. Empathy.

As an antecedent, the link between perceived quality and WOM is well established in the literature. When the perceived service quality is high, customer's intentions in terms of recommendations are favourable (Parasuraman et al. 1988, Zeithaml et al. 1996). On the other hand, when the perceived service quality is low, customers' intention to engage in negative WOM is high (Zeithaml et al. 1996). An important point to mention regarding the quality is that customer reviews might not be a fair measurement of the products and services quality. For example, Hu (2010) argues that customer reviews may not be a sufficient predictor of true product quality due to under-reporting by consumers with moderate product reviews. In same vein a recent study has shown that some active customers might tend to be biased and follow other extremist customers who might underestimate the quality of products. Additionally, Mayzlin (2006) suggested that companies face the threat of biases and unfair reviews in the internet.

2.4.3. Likelihood to Succeed

Customers' perception and expectations of the service providers' response is one of the important antecedents that can explain dissatisfied customers' behaviour. Customers complain directly to companies when they expect a serious response (Kim et al., 2003, Singh, 1990, Voorhees and Brady, 2005). On the other hand, customers might be more reluctant to complain if they believe that sellers will not be responsive, or when the process of complaining is unclear or complex (Richins, 1983, Tax et al., 2003). In such cases, negative WOM can be expected. For example, Halstead and Droge (1991) found that consumers' perception of manufacturer's responsiveness to consumer complaints was related to WOM intentions. Similarly, Kolodinsky (1993) found that consumers likelihood to complain depends on the customers' estimation of the sellers' response.

Indeed, historically, the emergence of complaint sites was a result of ignoring one of dissatisfied customers' complaint. The dissatisfied customer sent a letter to one of the airplane companies but did not receive any response for more than six weeks. He therefore decided to share his experience with other similar customers using the internet. The customer declared that if his complaint had been addressed, he would not have used the internet (Hennig-Thurau et al., 2010). Pantelidis (2010) provides an extreme example of how dissatisfied customers might react to low or bad response. One of a restaurants' customers sent an email to the manager complaining about the service. The manager, however, responded very aggressively by saying "you are an idiot customer and we do not want you again" The dissatisfied customers decided to forward this email to all names in her emailing list who in turn decided re-forward the email to their acquaintances. The result was closing of the restaurants within a week. These examples might be extreme cases but show that low or unfavourable response might be an important antecedent of negative eWOM.

2.4.4. Personal Motives

While many of the antecedents mentioned above are related to the products/services and companies, the following section includes some personal motives that make negative eWOM exist. These aspects can be summarised in a recent review study conducted by Cantallops and Slavi (2014). The authors have suggested that there are three main motives of posting eWOM in general:

- 1 Social tie (belonging)
- 2 Opinion leader (social identity)
- 3 Information giving (helping others)

2.4.4.1. Social Tie

Indeed, these motives have been identified in the context of the original WOM and therefore examined and extended to the context of the new electronic form. However, a comparison between the two forms realises some differences. For example, in terms of the social tie, it is well established in the literature that the social ties that customers belong to affect their behaviour (Steffes and Burgee, 2006). This impact, however, might vary based on the strength of the tie. Strong social ties might be more active and influential in terms of information exchange. Nonetheless, some studies have shown that even though online communities might be weak social ties, they can motivate members to engage in eWOM and more importantly influence their behaviour. For example, Steffes and Burgee (2006) found that students rely on the some forums such as *ratemyprofessor.com* more than their friends. In relation to negative comments, Wetzter et al. (2007) found that one motive for negative WOM is the “desire to warn others and strengthen social bonds”.

2.4.4.2. Opinion Leaders

Opinion leaders or as conceptualised “market maven” refers to the customer who enjoys advising friends of new products and services and places to shop (Feick and Price, 1987). This type of customer is generally more gregarious, fashion conscious, independent, innovative and active in

information search. It is suggested that they have a great role to play in prompting WOM and more importantly leading others to do the same (Buttle, 1998). Interestingly, they might not seek any financial incentives but rather satisfy psychological needs such as uniqueness (Rageh et al, 2013). In this respect, studies on eWOM have confirmed the existence of this unique type of customer. In the context of TA in particular, reviewers are classified based on the number of their total and helpful reviews. Therefore, it might be reasonable to assume that these reviews are more influential. Similarly, Chu and Kamal (2010) suggested that in the case of popular blogs, if the blogger decides not to buy the product, many readers may end up making the same decision in accordance with their fashion opinion leader. This great proposed impact of these customers might require more research on their motivation and how this can be useful for marketers.

2.4.4.3. Information Giving (Helping Others)

Indeed, it is suggested that customers complain not just to receive an apology or even financial compensation, they also want to make sure that the problem does not occur for other customers in the future (Johnston and Michel, 2008). By spreading negative eWOM, customers wish to warn others and help them avoid similar problems (Hennig-Thurau et al, 2004).

2.5. What Strategies Can be Developed to Respond to Negative Reviews?

As it can be seen from discussion above, some researchers suggest that negative reviews can be more influential than positive ones, and their impact is greater. Others argue that this might have been exaggerated in some cases as there are different moderators to be considered. However, most of the researchers, including those who argue that negative reviews are not as harmful as some studies have shown, warn that organisations should take these reviews seriously and react wisely. However, the question that has been raised different times and suggested as a topic for further research is: **How should businesses respond to negative reviews?**

As can be seen, many researchers have discussed eWOM from customers' prospective. Another group of researchers has shown the potential of positive eWOM and the impact of negative eWOM. However, very little research has been conducted to provide clear guidelines to companies to

response to this phenomenon. It is not clear how companies should use positive eWOM for their advantage or minimize the impact of negative eWOM (Godes et al 2005, Allsop et al., 2007). This in turn has left a gap in the literature of WOM in general and eWOM in particular.

Indeed, the organisational prospective has not been ignored completely. However, only few studies have been carried out to discuss it. To the best of the researcher's knowledge, the earliest call to answer this question was by made by Haywood (1989). Haywood stated "The power of word of mouth has not gone unnoticed. Some concerned companies do take action, but usually on an ad hoc basis. What is often needed is a more systematic approach". Almost one decade later Ennew et al (2000) conducted the first empirical research investigating the approaches that banks follow to manage WOM (Ennew et al., 2000). The research team did not intend to provide "set of applications" for businesses to follow but rather understand the factor that affect businesses' practices. Due to the studies scarcity the research team applied focus group to generate the research hypothesis. However, most of these hypothesis were rejected. Indeed, at that stage when little had been offered to investigate the organisational perspective, this study could have been great contribution to the research of WOM if it had applied qualitative methods and obtained insights from the participants. Semi-structured interviews, for instance, could have provided better understanding of managing WOM process.

The research of eWOM has inherited this gap and the organisational prospective has been hardly discussed. Very few studies have been conducted to explore companies' practices or provide companies with clear guidelines to manage eWOM (Chen and Xie, 2008). In this regard, Allopes (2007) suggests that it is not difficult to realise the importance of eWOM on customers' behaviour and companies' performance. However, how companies can leverage it to their advantage requires more research. Godes et al (2005) argue that despite the importance social interactions online, little research has been conducted on how companies might use and impact them. This in turn represents an exciting research opportunity (Godes et al., 2005). In the context of negative WOM, Davidow (1998) suggested that examining dissatisfied customers behaviour, such as negative WOM, in isolation of companies response strategy will lead to misleading findings (Davidow, 1998). Many other researchers have highlighted this gap and suggest more research (see figure below

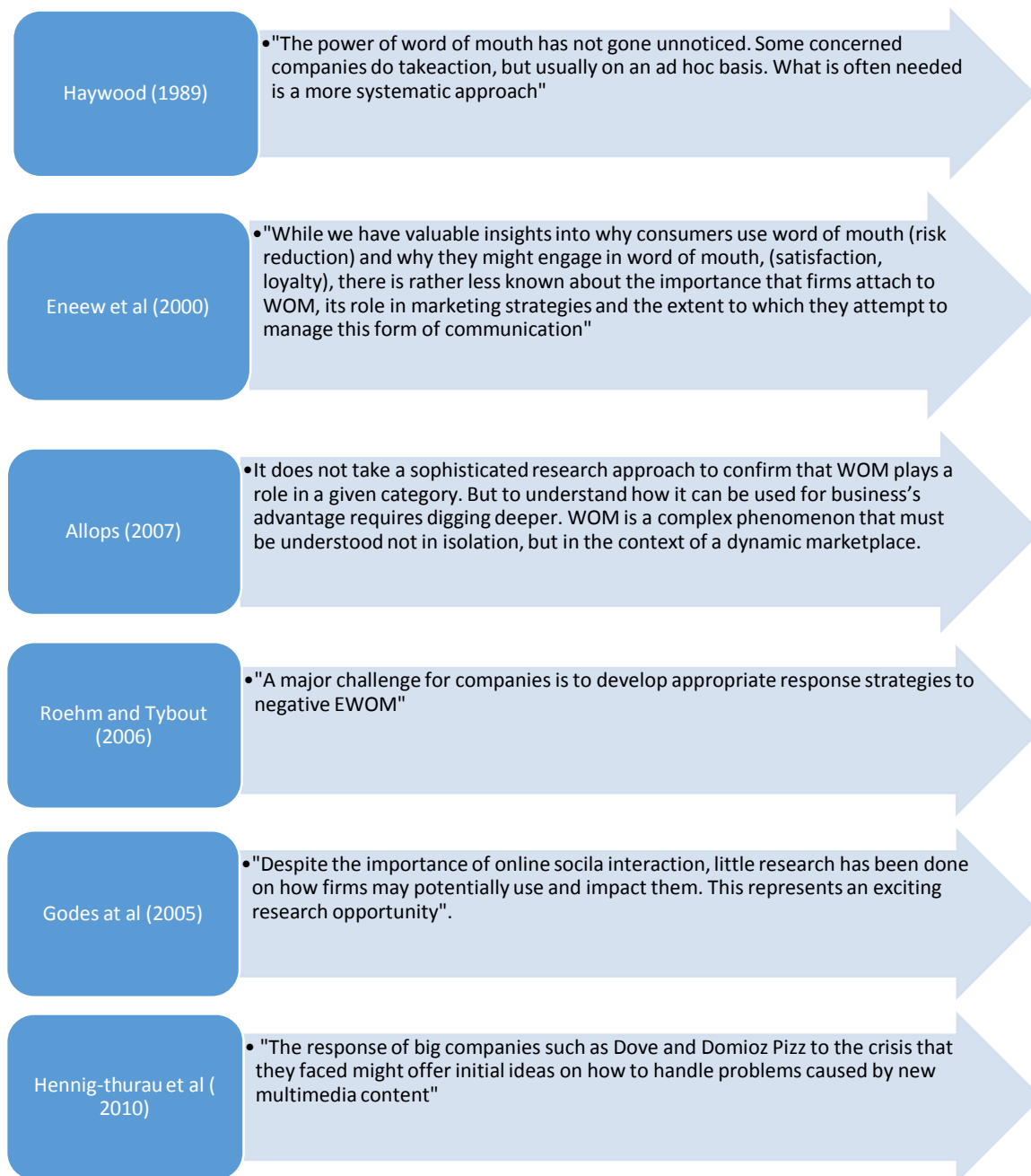


Figure 10: Different Researchers Have Highlighted the Organizational Perspective as a Gap in the Literature

Indeed, this gap can be justified in the context of traditional WOM. The difficulty in conducting some research on the traditional WOM seems to be the main reason of missing the organisational prospective. As a communication process, WOM can happen anytime and anywhere leaving

companies with limited options to follow it, not to mention control it (Ennew, et al 2000). For example, some companies have attempted to stimulate positive WOM by referral program incentives. However, the productivity and (ROI) of these programs has been questioned (Kornish and Li, 2010, Koh et al., 2010). Additionally, some customers tend to express their dissatisfactions to friends rather than complaining to the companies (Pham and Baird, 2008). This shows that WOM is difficult to manage and its marketing activates are more difficult to measure.

On the other hand, this gap is less justified in the context of eWOM. Firstly, the importance of the organisational prospective has been highlighted by different researchers (see figure 11 below). Furthermore, unlike the traditional form, eWOM is a more researchable topic. Companies can monitor customers' conversations cheaply in customers' communities, reviews sites, blogs and many other platforms. Companies can use these sites as reliable source of information (Godes et al 2005, Beer 2008). Additionally, companies can engage in customers' conversations either anonymously (Dellarocas, 2006) or officially (Lee and Song, 2010). Many of the review sites offer companies some facilities to interact with eWOM such as sending a message to these companies whenever their brands are mentioned. Therefore, this research aims to explore this new area and fill the literature gap by exploring the problem of negative eWOM from hoteliers' perspective.

In the following section, more details will be discussed about the strategies that can be used to respond to negative eWOM. Generally speaking, this section will discuss online and offline strategies that might be developed and adopted.

In order to overcome the studies scarcity, further literature review was conducted to review other related literatures looking for more insights. Service recovery and complaining handling system literatures were reviewed. By the end of reviewing the literature of WOM, service recovery and complaining, the selected studies were classified into two main groups. The first group discussed the negative customer reviews as web based problem. Therefore, companies interaction level, price, advertising and information release are among the variables that were investigated. The second group includes related studies from service recovery and complaining behaviour and covers the offline strategies that sellers might adopt.

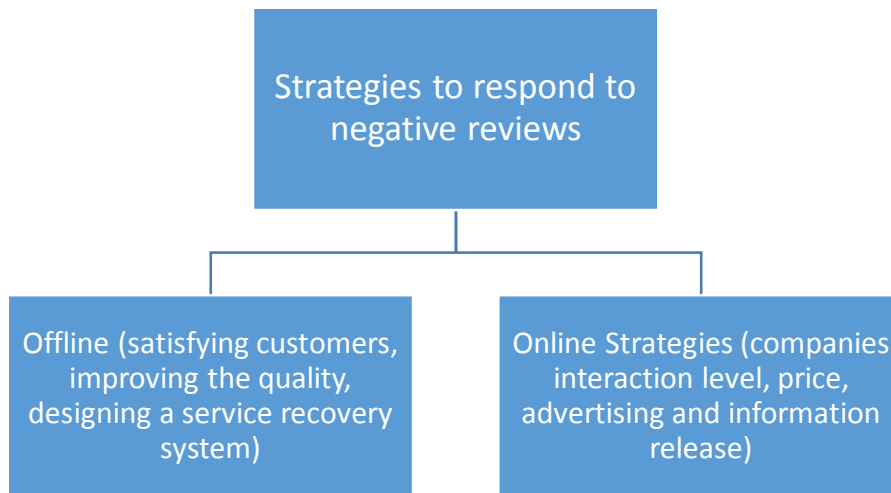


Figure 11: Strategies Followed to Respond to Negative Reviews

2.5.1. Online response strategies to negative eWOM

Chen and Xie (2005, 2008) seem to be the pioneer of studying the potential strategies to respond to negative eWOM (Chen, 2005, Chen and Xie, 2008). The authors examined the effectiveness of reducing the price or increasing the advertising to stimulate the sales of the low rated products sales. They suggested that neither of them is effective or necessary. In a further study, the authors studied the interaction between companies' released information and customers' reviews and suggested that the two sources can be either substitutes or complements. Based on this, the authors have suggested that companies might benefit from increasing or decreasing their official information based on the product type, and might also benefit from allowing more or less reviews at different stages of the product life (Chen, 2005, Chen and Xie, 2008)

Indeed, the main limitation of these studies is that they both examined the suggested strategies in the case of new released products. This in turn led them to assume that customers are limited to the companies' sites information. It follows that companies are able to restrict the reviews sharing. These assumptions might be dedicated by the nature of the questions, the sample of the study which was new released electronic devices, and the method applied in this study. The authors have the credit for examining the interaction between official information and customers reviews and the possible impact of controlling these two sources. However, they simplified the problem by assuming that only reviews that matter and only can be approached on companies' sites. However, a very recent study found that customers visit different sites in the process of purchasing. More interestingly, customers give more attention to the external sites than the companies' sites. Additionally, it is difficult to

restrict the information in the age on Internet or limit customers to one source. There are plenty of third party sites that allow customers to share their views. The specification of these studies, new released products, and their limitations make the findings less applicable to the other products not to mention services. Hotels' services might be more complex due to the intangible nature of services.

Similarly, Dellarocas (2006) has suggested that companies might post some positive comments to praise their services and products. This can be tempting for companies to follow in order to reduce customers' biases. However, he warned that this strategy can be costly to maintain and has a high cost to society. More importantly, it might lead companies to become locked into this strategy.

In terms of the general role, Godes et al (2004) suggested that there are four main roles that companies can play in their interaction with eWOM. (1) Observer where a company only observes customers' interaction (2) Moderator where companies tend to host a web site or create online community (3) Mediator where companies decide what reviews should be posted and when (4) Participant where companies communicate and interact with customers. The authors suggested these roles based on the engagement level which makes it valid to use to classify companies in terms of responding to eWOM. However, this classification is rather a broad and lack for empirical test. More importantly, it again deals with the problem as if it existed in the online environment only leaving the offline environment where the source of the products and services is under researched.

This, however, might be a result on focusing on physical products such as digital games and products since little can be done after producing and distributing them. However, in terms of services, the offline environment cannot be overlooked. This will lead the following section that discusses the offline environment and the operational side of responding to negative reviews.

2.5.2. The Offline Strategies of Responding to Negative eWOM.

Indeed, few studies have been conducted to discuss organisational perspective in terms of service recovery (Johnston and Bowen, 2005, Johnston and Michel, 2008). For example, Johnston and Michel (2008) conducted an extensive review of the literature of service recovery and found that most of the researchers have focused on the customers' perspective (Johnston and Michel, 2008).

Indeed, this can be justified as “customers are at the heart of businesses”. This can be more relevant in the age of internet where the power has shifted from companies to customers. In this regard, TA is only one example of this shift. However, the researcher claims that customers satisfaction is not the only outcome of the recovery. There are two more outcomes that have been understudied, process and employees.

According to Johnston and Michel (2008) and other researchers, improving the service quality and preventing the failures from occurring again are important aspects of handling complaints. Additionally, employees should be given the accessibility and authority to handle the complaints and correct any mistakes as soon as they occur. Indeed, little is known about these three outcomes in the context of handling negative reviews. This in turn raises a question about the relevance of these three outcomes to the context of negative eWOM. The following sections will discuss these three suggested outcomes and relate them to the context of the research.

3.2.4.1. Customers

3.2.4.1.1. Satisfying Dissatisfied Customers

Indeed, most of the studies in this area have been conducted from the customers’ perspective. Researchers have discussed different issues but the main one is the possibility of satisfying the complainants. Many researchers have stressed that companies should please their customers in the case of service failure (Gutbezahl and Haan, 2006, Tyrrell and Woods, 2008). This is due to the importance of retaining existing customers and the potential of attracting new ones. However, the value of such an attempt is not consistent.

In this regard, two main views have been introduced. The first view suggests that dissatisfied customers can be converted to satisfied ones and a successful recovery can be rewarding. After recovery, customers might be more satisfied than they would if the service had been errors-free. As a result, they are more likely to repurchase and spread positive WOM (Hocutt et al., 2006, Tyrrell and Woods, 2008). However, some researcher within this large group have warned that satisfying complainants might not easy (Michel and Meuter, 2008). Customers take into account the magnitude of their loss (Sparks and Browning, 2010). Therefore, some failures are difficult to correct and some

customers are difficult to retain. Additionally, some studies have suggested that there are certain conditions to satisfy customers that can be concluded by exceeding customers' expectations (Michel and Meuter, 2008). On the other hand, some researchers argue that there is no better than error-free services. In this regard, different studies have shown that even when complainants become satisfied, they are less likely to re-purchase not to mention spread a positive WOM (Berry et al., 1990, Halstead, 1992).

Most, if not all, of these studies that have been conducted in the context of offline environment and traditional complaining. However, complaining online might be a different context (Breitsohl et al., 2010). For example, the main measures used to evaluate companies' success in the recovery are repurchasing and spreading positive WOM. These measures have not been tested in the context of complaining online. Therefore, little is known about customers' requirements and expectations after posting negative reviews are still to be explored. However, the argument here is that if these measures are used to assess companies' recovery effort, the results might not be promising. This can be concluded from the related studies in this area. For example, it is suggested that when dissatisfied customers share their unpleasant experiences online, they try to convince readers of their views. They might tell their stories in great details and use different expressions to show their frustrations (Picazo-vela et al, 2010). Additionally, customers complain online because they feel more control (Jalilvand and Samiei, 2012). Complaining online helps them to avoid any emotional pressure that might result from complaining face to face (Tronvoll, 2012). Building on that, customers might be reluctant to come back to the same company after posting negative review.

Furthermore, a recent study has shown that the customers who have engaged in a negative WOM process are less likely to change their attitudes because they feel that they are committed to their views (Nyer and Gopinath, 2005). Although this needs to be examined in the context of eWOM, accepting that dissatisfied customers have the commitment to their spoken views makes it acceptable to assume the same commitment to the written views. Additionally, it was found that when customers engage in WOM, they re-evaluate their experience and become more aware of it. This in turn makes them more convinced of their views even if they are biased. Similarly, a very recent study investigating the structure and content of online reviews found that complainants use highly descriptive language, which allows readers to feel that they were re-living the experience (Sparks and Browning, 2010). Therefore, while retaining dissatisfied customers have been at the heart of every recovery effort, it might not be the case in the online recovery.

The above discussion has shown that it might be difficult to retain dissatisfied customers after posting negative reviews. However, there are more than dissatisfied customers to consider. Hotels should take into account the countless number of customers who read these reviews and perhaps take their decisions accordingly. Therefore, by responding to these negative reviews, companies should respond to information seekers' concerns and queries. In this regard, it is suggested that customers sympathise with each other and blame companies in the case of service failure (Lee and Song, 2010). Additionally, they are more likely to develop negative attitudes toward the companies that refuse to accept the responsibility of their failures and vice versa (Lee and Song, 2010). These might be general guidelines for companies to follow in their interacting with customers online. However, what companies are currently doing and why are still unanswered questions. Therefore, this research aims to fill this gap and explore companies' real activities in this regard.

3.2.4.1.2. Information Seekers

The above discussion has shown that it might be difficult to retain dissatisfied customers after posting negative reviews. However, there are more than dissatisfied customers to consider. Unlike the traditional way of complaining, the process of complaining online does not end with the act of posting negative reviews but continues with complaint response perceptions and more importantly the potential customers who observe the communication and interaction between customers and companies (Breitsohl et al., 2010).

Hotels, therefore, should consider the countless number of customers who read these reviews and perhaps take their decisions accordingly. Therefore, by responding to these negative reviews, hotels should respond to information seekers' concerns and queries. In the context of TA, reviews cannot be deleted or changed. Nonetheless, managers/owners have the right to respond to these reviews and tell their side of the story. Yet, little is known about hotels' interaction with the reviewers and what they do to eliminate the possible impact of reviews. In this regard, a recent study has penetrated this area by exploring information seekers' attitudes about companies comments on complaints sites (Lee and Song, 2010). The study employed an experiment method and found that customers are more likely to develop positive attitudes about the companies that take the responsibility of their actions and apologise for customers. On the other hand, they tend to blame the companies that state excuses or

refuse to take responsibility of the stated problems. More interestingly, the study found that it is better not to respond at all than to refuse the responsibility or blame customers (Lee and Song, 2010).

Indeed, this study is in vein with many similar studies that have examined customers attitudes toward companies communication with the public (Dutta and Pullig, 2011). Dutta and Pullig (2011) warned that customers do blame companies and believe their counterparts. The author warned that not responding might be better than blaming others or denying the problem.

3.2.4.2. Improving the Overall Quality

Indeed, it might be obvious that hotels need to improve the overall service to prevent more dissatisfaction and negative reviews. Additionally, improving the service will increase the positive reviews and therefore the hotels' rating will be enhanced. However, it is suggested that customers' perception of quality is rather subjective and in many cases contradicts companies' perception. In this regard, Saleh and Ryan (1991) found that hotels' managers perception of the quality attributes were different to customers'. Additionally, it was found that many companies tend to ignore what customers complain about (Tyrrell and Woods, 2008). This in turn might lead to more negative reviews. In order to understand this gap between customers' complaints and hotels responses, we need to know in more details what customers complain about and what is the operational nature of the tourism services that might limit the ability of responding to the customers' negative reviews. Therefore the following section will briefly discuss these two points.

As it can be seen, the appearance of negative eWOM might be a result of unsatisfactory recovery, disability or unwillingness to contact companies directly. However, these cases are indications of limitations in the service recovery system. In this regard, Smith and his colleagues (Smith et al., 2009, Smith et al., 2010, Smith et al., 2012) have introduced a number of studies very recently that are expected to inspire other researchers to give more attention to the organisational perspective. Based on their studies, there are seven main constructs that companies should give attention when designing their service recovery system (Smith et al., 2009).

Formality	The degree to which service recovery is controlled by explicit rules, procedures, and norms that dictate recovery activities.
Decentralization	Refers to employees empowerment and the authority to correct mistakes so as to ensure rapid problem correction
Influence	The ability of the system to adapt depending upon the situation and “position” of the customer
Comprehensiveness	The extent to which attempts are made to be exhaustive or inclusive in considering all potential recovery activities once a failure has occurred.
Accessibility	Providing open lines of communication to customers
Intensity (Human Intensity and System Intensity)	The first reflects the extent to which human resources are committed to recovery efforts, and the second deals with the level of effort afforded to the construction and on- going refinement of a systematic approach to recovery.

Table 5: Conceptualizing the Service Recovery System. Adopted from Smith et al (2009)

Despite this decent effort in exploring a virgin area, the authors have warned in their latest study that the appropriateness and design of a service recovery system might depend on the operational nature of the services (Smith et al, 2012). In the light of this caution, Schmenner (1986) in his seminal study, classifies services into four main groups based on the required level of customers contact and services customisation. Based on this classification, the author suggests that hotels fit in the fourth group where services with low customers contact and low customisation are located. The author suggests that in the case of hotels, customers check in, go to their rooms and check out. This process requires limited contact with the hotel staff. Further, customers might complain about any aspect of the service including the tangible and intangible aspects (Sparks et al., 2010). However, the challenge is raised when the complaint and dissatisfaction are results of the standardisation of the process or inflexibility in responding to customers’ customisation requirements. Hotels, based on this taxonomy, offers limited options of customisation and the service is, almost, fixed for most of the customers. This in turn leaves hotels with limited options regarding some of the customers’ complaints (Vos et al., 2008).

3.2.4.1.3. Employee Recovery

Employee recovery is the third outcome of the service recovery. Johnston and Michel (2008) suggested that employs recovery is an important component of the entire recovery system. He used the term ‘Internal service recovery’ to refer to what organisations do to make internal customers, i.e., front-line

employees, feel 'whole' after external recovery episodes. Similarly Michel et al (2008) defined the term "employee recovery" as 'management practices that help employees succeed in their attempts to recover customers or recover themselves from the negative feelings they may experience in recovery situations'.

Indeed, employees can be an important part of the recovery system. Frontline employees are the first to be contacted in the case of service failure and can be blamed for the occurrence of the problems. Therefore, the way they respond to the complainants can determine their satisfaction. In this regard, it is suggested that empathy and apologies might be all what customers require. However, in more complex problems these employees might find themselves under pressure from dissatisfied customers and management (Bowen and Johnston, 2005). It is suggested that frontline staff in some cases do not have the required information or authority to investigate customers' complaints not to mention take action (Hsieh et al, 2002). This in turn leads them to be frustrated staff who feel powerless and this might lead to low job satisfaction (Hsieh et al, 2005). Another option these staff has is learning "helplessness" (Bowen and Johnston, 2005). In this case, they try to cope with the limited power and control with the complaint. This is believed to be one of the reasons why many complainants become more frustrated after complaining. Complainants are particularly dissatisfied if contact employees do not take their concerns seriously and do not treat them respectfully (Ayupp and Chung, 2010). These findings corroborate previous research that has already shown that companies not only have to solve complainants' problems but also address their emotions appropriately. Complaining customers want frontline employees to take them and their concerns seriously and to give the customer the impression of being in good hands (Gruber et al., 2006).

In one of the recent studies investigating customers' evaluation of the companies' response, the author found that employees took no action in more than 20% of the reported incidents which was rated the most ineffective response strategy by customers. The author suggest that much of the problem of no response may be attributed to the fact that many employees simply are not aware of what is acceptable in management's eyes in terms of recovery effort (Mattila, 1999). This is in vein with a recent case study of employees' use of the recovery strategies. The author found that employees are less likely to offer customers compensation even if they have the authority to do so. They try to avoid this decision because they assume that the management will not be satisfied about a very generous policy. Another explanation of no response strategy is that employees are attempting to avoid conflict.

The recovery of process and employees both have been well integrated in a very recent study conducted by Smith and his colleagues (Smith et al., 2009, Smith et al, 2010., Smith et al., 2012) . Continuing to the series of articles aiming to shed some light on the organisational perspective, the authors have examined the Socio-technical theory and concluded that companies should draw clear policies and procedures to recover on one hand. On the other hand, employees should be given the required power and authority to follow these processes (Smith et al., 2010).

2.6. Conclusion

To conclude, WOM came originally from psychology science. Researchers have noticed that people might be affected by others' opinions. Marketing research proved the applicability of this idea in the business context and therefore researchers started to discuss this phenomenon. The emergence of internet has turned the traditional form of WOM to the digital form and become known as eWOM. The research of this phenomenon started by focusing on consumers' behaviour and found that it has a great impact on customers' decisions, attitudes and judgments. Additionally, it has a great potential as well as a threat on companies' overall success. However, little research has been conducted to help companies to interact with this phenomenon. Therefore, this research aims to fill this gap in the literature.

3. Research Process Design

“If I have seen a little further it is by standing on the shoulders of Giants”.

Isaac Newton (1675)

Research design is a key part in any research. Its central role is to ensure that the collected data enable us to answer the research question or test our hypothesis. Due to its importance, different researchers have introduced some models to explain how research can be designed. However, according to Maxwell (2004) these models show the process of designing social research as a logical progression of stages or tasks, from problem formulation to the generation of conclusions or theory. Maxwell, warns that none of these models represent the nature of social research in general. In this regard Hammersley and Atkinson (1995) stated “research design should be a reflexive process operating through every stage of a project”. Similarly, Grady and Wallston (1988) argue that applied research in general requires a flexible, nonsequential approach and “an entirely different model of the research process than the traditional one offered in most textbooks (Grady and Wallston, 1988, p. 10)”

In relation to this research, the activities of data collection and analyses, developing and modifying the model, formulating and re-formulating the research questions were simultaneous. For example, the research questions were formulated during the initial observation of Tripadvisor. Another research question “How do hotels’ managers/owners perceive negative eWOM” was added after noticing that different managers/owners have different perceptions of negative reviews. Finally, deciding what literature to review was informed by the early emergent themes trying to find the “best explanation” as suggested by the adopted paradigm, critical realist (Danermark et al, 2002).

Indeed, despite the fact that many of the existing models might not reflect the nature of the social research process, they can draw researchers’ attention to the main decisions that they have to make. They also can be used as a structure to present the main arguments bearing in mind the importance of understanding the nature of the research process, iterative and reflexive. Saunders et al (2009) model will be followed in this research.

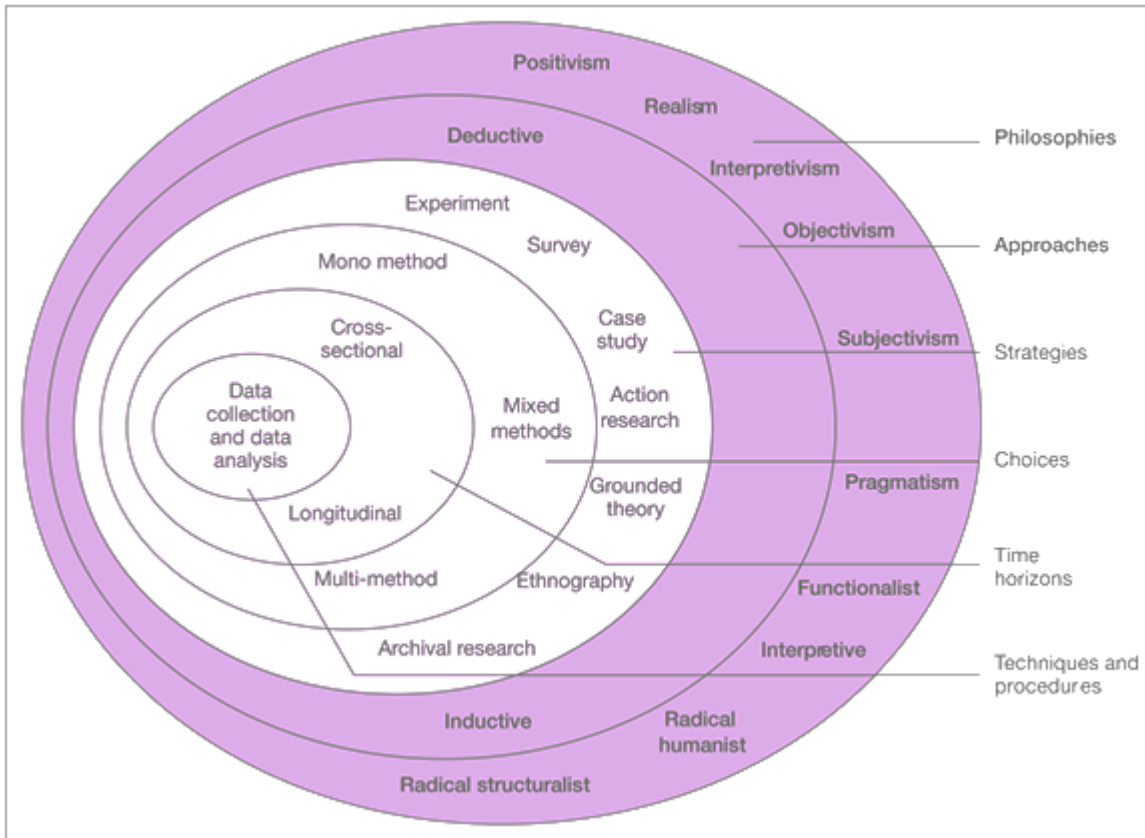


Figure 12: Research Stages. Adopted from Saunders et al (2009)

3.1. Philosophical stance

It can be seen from the chart above, epistemology is the first layer in the research process. However, other researchers might argue that ontology is the first layer in the research. Ontology is the science or theory of being. It concerns the question of how the world is built: “is there a ‘real’ world ‘out there’ that is independent of our knowledge of it? (Marsh et al, 2002)”. In this regard, there are two main ontological stances, positivism and constructivism. Positivism assumes that the reality is mind-independent. This means that it exists before we approach it. On the other hand, constructivism assumes that the reality is socially constructed. Therefore, there are multi realities.

Epistemology came after ontology. Saunders et al (2009, p. 18) defined epistemology as: “A branch of philosophy that studies the nature of knowledge and what constitutes acceptable knowledge in a field of study”. Blaikie (1993) refers to epistemology as a “theory of knowledge, a theory of science of the methods or grounds of knowledge. It is a theory of how human beings come to have knowledge of the world around them (however this is regarded), of how we know what we know.” (Blaikie, 1993)

Being the first layer in Saunders et al (2009) shows how important epistemology is. However, it does not mean that researchers should make their choice beforehand. As stated above, the process of social research is rather iterative and adopting a particular paradigm might be informed by the research questions and objectives. Although the philosophical ideas might remain largely hidden in research (Slife and Williams, 1995), it is one of the main decisions that researchers are expected to make during their journey. Research students in particular are required to make this choice more explicit. By clarifying what can be investigated and how, researchers can formulate their research questions and justify other research choices related to the data collection and analysis (Willig, 2008). It also helps researchers explain the potential contribution that their research can make.

3.2. Philosophical Issues and eWOM Research

As can be seen from the figure above, there are many epistemological stances in the social science. However, positivism and interpretivism represent the outer limits of philosophical thought with their contrasting ontology and epistemology, and therefore, bracket the discussion of other paradigms (Van de Ven, 2007, p. 40). Therefore, before discussing the adopted paradigm of this research, both positivism and interpretivism will be discussed very briefly. This will be followed by a brief discussion of the paradigms used in eWOM research. Finally, the adopted paradigm of this research will be stated.

3.2.1. Positivism

Positivism is an epistemological position, which assumes that reality is stable and that knowledge reflects reality (Banister et al., 1994). The stance also emphasizes the importance of the empirical study of phenomena (Howitt and Cramer, 2011), where language is used as a tool to access thoughts or events (Willig, 2001). Positivism argues that “there is a straightforward relationship between the world (objects, events, phenomena) and our perception, and understanding, of it”. Based on this stance, researchers’ role is to objectively observe the phenomenon they investigate and report the result (Willig, 2001). Generally speaking, positivism assumptions can be summarised as follows:

- 1- Social reality exists independently of our minds.
- 2- Researchers should observe and report the social phenomenon objectively.
- 3- Theories and hypotheses can be tested independently.
- 4- “Linear causality” can be used for explanation and prediction.

Positivism has been dominant in the last century. However, from the end of the 1960s, it was the target of strong and growing criticism (Lesson and Solberg, 2010, p.17). Indeed, it might be difficult to discuss all the positivism criticisms especially that it has been criticised by different paradigms. However, the main two criticisms are the ontological and epistemological assumptions:

- 1- From an ontological perspective, positivism is criticized for its simplification of the social phenomenon by claiming that there is one reality that can be explored (Burrell and Morgan 1979).
- 2- From an epistemological perspective, it is not possible for human beings to completely observe a particular phenomenon and make sense of it without using their previous knowledge.

3.2.2. Interpretivism

Interpretivism emerged as a reaction to the dominance of positivism. It argues that the reality is socially constructed and hence 'objective reality' cannot be discovered by researchers and then verified by others (Waltham, 1995). Instead, different people might have different interpretation from the same observation (Bra and Virgin 1999). Based on this paradigm, researchers cannot be value

free as they use their preconception to guide the process of the enquiry. Interpretive researchers see that the goal of social research is to develop an understanding of social life and discover how people construct meaning in natural settings (Neumann, 2003).

Similar to the positivism, there are different criticisms of interpretivism. According to Jacobs and Manzo (2000) there are three main criticisms that most often levelled against this paradigm:

- 1- researchers adopting an interpretivism view dispense with any notion of “objective” truth or fact. Therefore, all the claims become equally relevant.
- 2- it focuses narrowly on individuals’ views and experiences at the expense of the wide picture of communities and populations.
- 3- from the practitioners’ perspective, the findings of a study adopting interpretivist view is rather theoretical, obscure and difficult to disseminate.

3.2.3. Dominance of Positivism in WOM

In relation to WOM research, Pyle (2010) suggested that reviewing the literature of WOM will show that positivism has been the dominant paradigm (Pyle, 2010). In this respect, different aspects of this paradigm can be clearly seen in the literature of eWOM. For example, “linear causality” which is normally discussed under this paradigm is frequently applied in eWOM literature. For example, the impact of eWOM on customers and businesses has been the main theme in the literature. Some researchers have examined the relationship between eWOM and customers decisions, attitudes and judgement (e.g. Erdem, 2010, Gruen, 2006, Lee, 2008). Others examined the relation between eWOM and sales (Chevalier, 2006, Dellarocas, 2007). Additionally, different researchers have examined customers’ likelihood to engage in eWOM process in different occasions and at different stages (e.g. Wangenheim, 2005).

Indeed, the dominance of the positivism paradigm might have been posed by the practical view of the problem. Researchers have been trying to understand the scope and nature of this impact on customers and eventually businesses hoping to provide practical guidelines for practitioners to follow or at least draw their attention to the importance of this phenomenon to make more informed decisions (e.g. Chen

and Xie, 2005, Chen and Xie, 2008). Positivism, in this regard, gives researchers more flexibility in testing this “cause and effect” relationship. They can justify drawing a representative sample and claiming generalizability of the generated laws in some occasions which might not be appropriate in other paradigms.

In terms of eWOM literature in particular, following a tradition might be another reason of this trend. EWOM studies have appeared in different journals but mainly in IS and marketing with a focus on consumer behaviour. In this regard, Cheung and Thadani (2012) conducted a review of the eWOM research and found that the majority of studies appeared in either IS or marketing journals. Indeed, these journals are mostly dominated by the positivism paradigm. For example, Orlikowski and Baroudi (1991) observed that the positivism has been the dominant paradigm until recently. Similarly Hunt (1991) and, Shankar and Patterson (2001) reported the same observation about consumer behaviour studies. Therefore eWOM studies are expected to follow the same route.

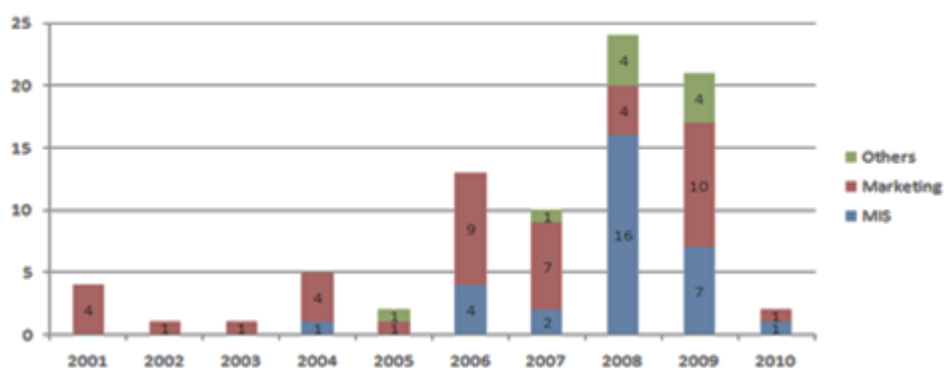


Figure 13: Number of eWOM Studies from 2000 to 2010. Adopted from Cheung and Thadani (2012)

Indeed, this trend still needs more investigation to understand. As mentioned above, the practical view of the problem might have led to the dominance of this paradigm. However, Pyle (2010) argues that it is the dominance of this paradigm that has impacted the research questions that researchers have sought to answer. Therefore, he suggests that WOM research would benefit from integrating different philosophical perspectives especially when addressing new issues that have been neglected. Pyle (2010) suggests that integrating interpretive perspective can add an important value to the research of WOM especially when addressing some of the new or overlooked topics within research. Indeed, this call is seen relevant to this research as the focus is changed from customers to seller which has hardly been discussed.

3.2.4. Epistemology of This Research

Critical realism, which is the paradigm adopted in this research, is between positivism and interpretivism. It takes objective ontology (i.e., reality exists independent of our cognition) and a subjective epistemology (Van de Ven, 2007, p.37). It offers a radical alternative to both positivism and interpretivism (McEvoy and Richards, 2003). It maintains that there is a real world out there, and the truth is mind-independent. However, it is far more complex that we can grasp by one researcher or one perspective (Danermark et al., 2002). In this regard, Peirce (1997) defended critical realist paradigm by arguing that there is no reason to believe that a mind-independent reality does not exist and suggests that this belief is harmonious with our practice of science. He states:

“There are real things, whose characters are entirely independent of our opinions about them, those realities avert our senses according to regular laws, and, though our sensations are as different as our relations to the objects, yet, by taking advantage of the laws of perception, we can ascertain by reasoning how things really are and any man, if he have sufficient experience and reason enough about it, will be led to the one true conclusion.” (Peirce 1997: 21)

At the same time, critical realism acknowledges the researchers’ role in exploring the reality. That is, the research objectives and questions, and the researchers’ interest influence the process of data collection and analysis. In this regard, Danermark et al (2002) state:

While it is evident that reality exists and is what it is, independently of our knowledge of it, it is also evident that the kind of knowledge that is produced depends on what problems we have and what questions we ask in relation to the world around us. (Danermark et al., 2002:26)

Having stated the researcher’s role in the data analysis, critical realism differs from the constructionist view that researchers can observe a particular phenomenon without any presuppositions. Instead, it assumes that all our observations are theory laden and therefore, it is not possible to approach a particular phenomenon without prejudices or presuppositions. It stresses that our perceptions are shaped by our theoretical background and interests. Researchers observe a particular phenomenon and compare it with their understanding and assumptions which in turn are based on their previous knowledge and experience. Researchers cannot decide whether a particular phenomenon is worth studying or not without being aware of the existing theories. Researchers observe a particular

phenomenon and decide that it is worth investigation based on their interpretation which is based on their knowledge and experiences. Therefore, instead of claiming or trying to be value-free, researchers should be value-aware (Van de Ven, 2007, p. 38)

In relation to this research, critical realism is not adopted as an explanation of knowledge creation but rather acknowledged for its relevance for this research in particular. The process of this research started by observing Tripadvisor and other social media sites driven by the increasing interest of the web 2.0 technology businesses application. Additionally, Tripadvisor was approached with some knowledge of the traditional WOM literature. Finally, the main observed anomaly was the aggressive responses from some hotels' managers/owners to the complainants which is against the basic principles of marketing as theory and practice. This observation was considered unusual and therefore the whole enquiry started and expanded to include other aspects of the main phenomenon. This observation would not have been considered anomalous without referring to the previous knowledge.

This knowledge, however, directed the process of reviewing the potential literatures to find the “best explanation” rather than imposing some of the existing and known theories. For example, different literatures were reviewed such as customers relationship management, public relation, mass communication, service recovery and many others. These frameworks were reviewed as a response to initial observation and coding, members of the review panel suggestions and previous research. All of them could provide explanation of some aspects of the phenomenon. However, the decision was made as the processes proceeded to the second and third stages, theory construction and theory testing.

3.3. Reasoning Strategy

Reasoning strategy is the second layer of Saunders and her colleagues' research onion. Indeed, adopting a particular reasoning strategy depends to a great extent on the main aim of the research, and the adopted paradigm. In this regard, Van de Ven (2007) suggests that, from critical realism view, building a theory requires at least three main reasoning strategies:

- 1- abduction strategy which is used for theory conceiving,
- 2- deduction strategy which is used for theory construction, and

3- induction which is used for theory testing.

These three reasoning strategies and the activities associated with each stage will be discussed in order. However, Van de Ven (2007) suggests that the initial cycle might follow a sequence of theory conception using abductive, theory construction using deductive, and theory justifying using inductive. However, this sequence soon transitions into “a multiple parallel progression in subsequent iterations of the cycle” (Van de Ven, 2007. p. 102). Additionally, based on the research objective, these three stages might not be given equal attention.

Indeed, two main points can be noticed in Van de Ven argument. First, he suggests that building a theory requires three reasoning strategies while many other researchers argue that building a theory requires adopting induction strategy as a main strategy (e.g. Glaser and Strauss, 1967, Strauss and Corbin, 1990). Second, he suggests that abduction is used to build a theory and induction to test it. This contradicts the traditional view that sees induction as a main strategy to build a theory. Indeed, one explanation of these views is the philosophical stance that Van de Ven adopts, critical realism which, as mentioned previously, assumes that all theories are theory laden and the researchers’ role is to find the most appropriate explanation. Therefore, the following section will discuss these three reasoning strategies from critical realism view in particular.

3.3.1. Abduction

Abduction as defined by Blaikie as:

“the logic used to construct descriptions and explanations that are grounded in the everyday activities of, as well as in the language and meanings used by, social actors. Abduction refers to the process of moving from the way social actors describe their way of life to technical, social scientific descriptions of that social life (Lewis-Beck et al, 2004)”

According to Van de Ven (2007, p.107), abduction is associated with theory conception which is the first step of theory building process. During this stage researcher started to conceive the germs of a notion that might become a theory. This notion might be a ‘half-baked’ conjecture in response to an anomaly that contradicts our understanding of how things are expected to unfold. Abduction, therefore, is used at this stage to solve this anomaly, surprising and unfamiliar situation. Researchers start to refer to their knowledge and experiences to understand this problem.

As mentioned above, this is against the traditional view of building theory that sees induction as a main reasoning strategy for theory building. Based on this strategy, researchers are expected to approach the data with open mind and fresh eyes without any preconceptions or prejudices to allow the pattern and theory to emerge from the data. Grounded theory, for instance, is a main example of this approach. However, from critical realism perspective, all our observation are theory-laden. Therefore, approaching the data without preconception is not possible (Danermark et al 2002).

In this regard, (Polanyi,1957) suggests that we continuously acquire and use knowledge by creating and organizing our experiences. This kind of knowledge is not just theoretical knowing behaviour, but also testified to the situations we encounter in our everyday life in which we are perfectly able to perform very efficacious tasks without the immediate possibility of realizing their conceptual explanation: we are not “theoretically” aware of their capabilities (Polanyi,1957). According to Polanyi, this can be the case of the process of scientific creativity. In the cognitive view of science, it has been too often underlined that conceptual change just involves a theoretical and “internal” replacement of the main concepts. But usually researchers forget that a large part of these processes are instead due to practical and “external” manipulations of some kind, prerequisite to the subsequent work of theoretical arrangement and knowledge creation (Polanyi ,1957).

Indeed, there are different criticisms for the underlying assumptions of abductive and the notion that “all” observations are theory laden because this means that all our knowledge are simply extension of previous knowledge. In response to that, Reichenbach (1838) defends the use of abductive strategy to build a theory by stating:

What we wish to point out with our theory of induction is the logical relation of the new theory to the known facts. We do not insist that discovery of the new theory is performed by a reflection of a kind similar to our expositions, we do not maintain anything about the question of how it is performed—what we maintain is nothing but a relation of a theory to facts, independent of the man who found the theory (Reichenbach, 1938, p.382)

In relation to this research, it is mentioned previously that TA was approached with interest in the web 2.0 application to the businesses. Additionally, the whole research problem was formulated based on the previous knowledge of the literature. It was observed that some managers/owners respond aggressively to the reviewers which is against the marketing as a theory and practice. This became the keystone idea of the research. This makes critical realist view relevant to this thesis.

3.3.2. Deduction

Deduction used at this stage to elaborate the conjecture and construct it into a complete theory. Constructing a theory involves articulating and elaborating a conjecture into theoretical terms, relationships, and conditions when they apply. Whereas abduction is a mode of reasoning for conceiving a theory, logical deduction provides the tools for constructing the theory (Van de Ven 2007, p.112).

Indeed, different researchers including those who argue for using inductive as a main reasoning strategy for theory building, have pointed out the role of deductive reasoning strategy in theory building. For example, Kirk and Miller (1986, p. 25) view good qualitative technique as a process of alternating inductive and deductive processes:

The fieldworker . . . is continuously engaged in something very like hypothesis testing. . . . He or she draws tentative conclusions from his or her current understanding of the situation. . . . Where, for unanticipated reasons, this understanding is invalid, the qualitative researcher will sooner or later . . . find out about it.

Similarly, Patton (1991, p. 194) argues that the qualitative researcher can adopt both inductive and deductive processes. He stated

“as evaluation fieldwork begins, the evaluator may be open to whatever emerges from the data, a discovery or inductive approach. Then, as the enquiry reveals patterns and major dimensions of interest, the evaluator will begin to focus on verifying and elucidating what appears to be emerging, a more deductive approach to data collection and analysis. Patton (1991, p. 194)”.

In relation to case study approach in particular, Yin (2003) argues that the case study research should start with statement of propositions answers to “how” and “why” questions. When these propositions are confirmed they enhance the theory and when they are disconfirmed they refine the theory.

Indeed, this stage has been critical in this research. It has shown the limitation of the existing theories in describing and explaining the phenomenon of responding to negative reviews. For example,

previous studies have investigated both sellers' response and responsibility, and their impact on customers' satisfaction. However, they have hardly been discussed together. Additionally, responsibility acceptance is rarely discussed and even when it is investigated it tends to be rather a secondary issue. Only few studies have discussed responsibility acceptance as a main dimension of sellers' response to a failure. However, this research has shown that both response favourability and responsibility acceptance are two dimensions of the sellers' response. This follows that there is a third response strategy that might not have been discussed explicitly, diplomatic response strategy. This strategy is not simply favourable or unfavourable as the classification in the literature would suggest. Hotels' managers/owners might respond positively and apologize for the complainants for their dissatisfaction. However, they might refuse to accept the responsibility of the stated failure.

3.3.3. Induction (Theory Justification)

Induction was widely believed to be the basic process in science. However, Peirce (1955) rejected this notion, arguing that induction strategy serves not to build a theory but rather to test it. In the same vein, Popper (1959) argued that the process of developing a theory does not begin with an inductive enumeration of observational data, but rather with creative intuition. Again, this argument is based on the assumptions that all our observations are theory-laden.

Having stated that the induction is used for theory testing, it is important to mention that from critical realist perspective, theory cannot be proven. However, plausibility and credibility increase by:

- 1- applying different tests such as combining interviews with questionnaire, triangulation, or by adopting replication logic, multi cases.
- 2- ruling out plausible alternative hypotheses.

Nonetheless, testing theory activities have been limited in this research. From critical realist view, triangulation and applying mixed methods such as interviews and questionnaire are some of the ways that allow researchers to test their theories. However, this is not applied in this research. Based on this notion, researchers can increase the confidence in their interpretation by integrating different evidences using different methods and sources of data. This practice is suggested to enhance the credibility of the research. However, some researchers have warned that when using different methods, researchers

have to make sure that they investigated one issue at the same time (McFee, 1992). Similarly, Mathias (1998) also warned that triangulation might produce inconsistency and contradiction in the data. Therefore, she suggested that relying on “holistic understanding” might be a better option (1988, p.17).

In relation to this research, corroboration rather than triangulation is used to describe the process of data collection from different resources (Urquhart, 2012 p.66). This research has two sets of data collected at different stages using two different approaches, netnography and case study. However, despite the overlap between these two approaches and the iterative nature of the process, they offer different insights to the phenomenon and serve different angles instead of confirming or disconfirming some findings. For example, Netnography has helped highlighting the online response strategies and the interviews have revealed the underlying assumptions and rationales of them.

Replication is another strategy that can be used to test the developing theory. Based on this technique, researchers tend to carefully select their cases following one of two main strategies:

1. literal replication, when similar results are expected. reasons, that is, literal replication, or
2. theoretical replication when contrary results are expected.

Indeed, some scholars tend to be strict with the required procedures to claim replication within the critical realist paradigm. For example, Easton (2001, p. 212) states:

“Case research which would wish to lay claim to a realist epistemology must be carried out in a different way, to be inquisitive, to look for the roots of things, to disentangle complexities and to conceptualise and reconceptualise, test and retest, to be both rigorous and creative and above all to seek for the underlying reality through the thick veil which hides it”

Indeed, every effort was made to make sure that the replication is “convincing”. For example, different theories and literatures were reviewed trying to find the best explanation of the observed phenomenon. The research questions were formulated based on the data collected during the netnography stage, and multi cases stage. However, the limited access to the cases might have affected the ability to follow exactly the same procedures in every case. For example, offline observation was not possible to conduct for all cases. This is therefore acknowledged as one of the research limitations.

3.4. Research Strategies

The phenomenon of interacting with customers is relatively new, and hence, the study is partly exploratory. Therefore, the plan in this research is to use qualitative methods. Qualitative methods allow the researcher to be close to the data and more importantly generate rich descriptions of the issue without being led or restricted by some of the existing theories. This is in comparison with quantitative methods where theories guide the investigation and might lead to narrow understanding of the problem. This is one of this study's contributions as the eWOM research has have been dominated by the quantitative methods.

The first stage of this study has started with observing Tripadvisor and more specifically managers'/owners' posts (Netnography). Its aim was to develop a typology of online response strategies. Theoretical sampling was adopted at this stage. Data is being collected and analysed simultaneously until reaching the saturation point where more collection and analysis did not add new themes.

This stage was conducted in conjunction with case studies. Adopting this approach aimed to achieve the main aim of the study, building theory. It also aimed to explore the rationales behind the online response strategies, explore the offline response strategies and the rationales behind them. As suggested by Halker (2012), ideal typologizing was developed in the first stage and served as a base for cases selection. Four online response strategies were developed and cases were selected based on their tendency to follow a particular strategy, intensity sampling strategy.

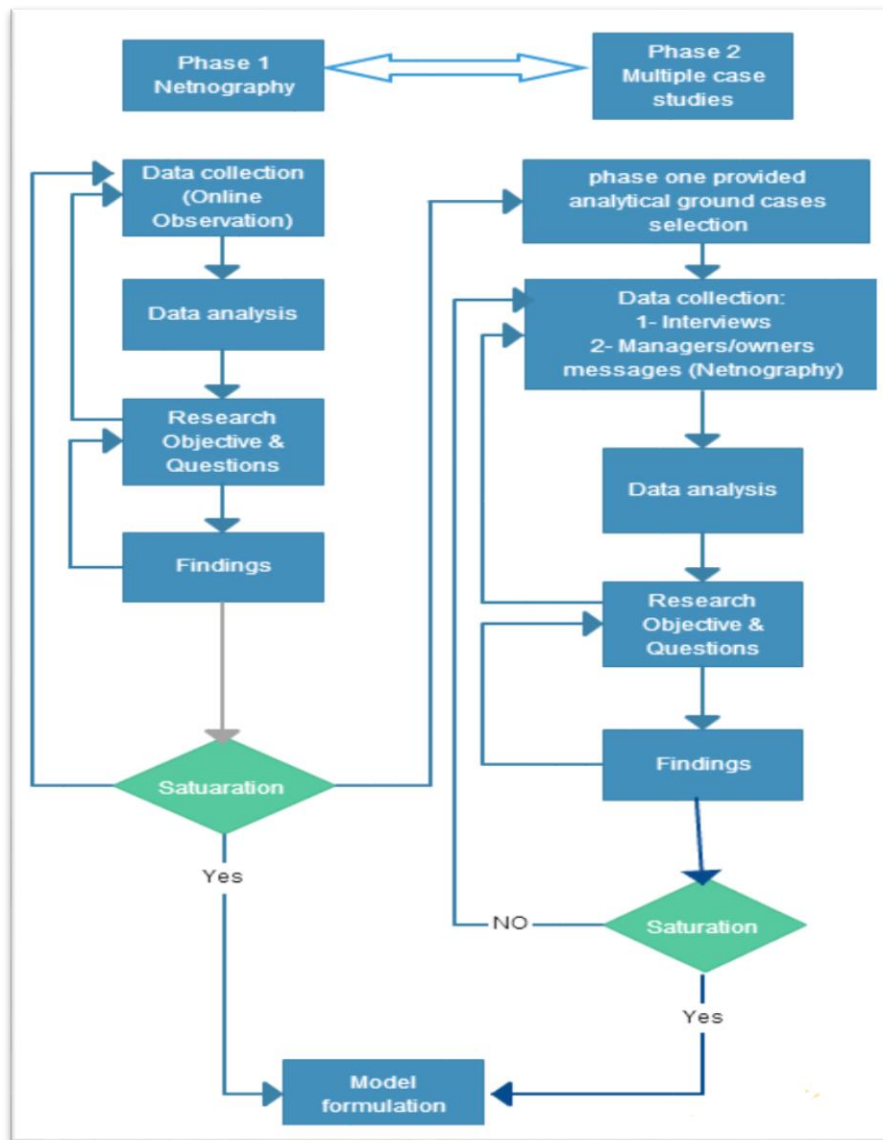


Figure 14: Research Plan

3.4.1. Netnography

Netnography is a new method that has originally come from the well know method Ethnography. In this regard, Hammersley and Atkinson describe ethnography by stating:

“In its most characteristic form [ethnography] involves the ethnographer participating, overtly or covertly, in people’s daily lives for an extended period of time, watching what happens, listening to what is said, asking questions- in fact, collecting whatever data are available to throw light on the issues that are the focus of the research (Hammersley and Atkinson, 1995:1)

The emergence of the internet has led some scholars to suggest that the traditional ethnography can be applied to the internet. This in turn has led to different discussions about the name of the methods, the underlying assumptions, methodological issue and many more. Due to the limitation of space, only some of these issues will be discussed very briefly in the following sections.

Different terms have been suggested to refer to applying ethnography in the Internet studies such as Virtual Ethnography, Online Ethnography, Netnography and many more. There is a deep discussion about these terms. However, Netnography, as Kozinets prefers to use, will be used for this study because Kozinets' approach is adopted.

For the sake of simplicity, Netnography, can be defined as one branch of ethnography. According to Kozinets (2006) this method is faster, simpler, timelier, and much less expensive than traditional ethnography. More importantly, it is more naturalistic and unobtrusive than other similar qualitative methods such as focus groups or interviews. Researchers observing up to date and dynamic interaction online can engage in the culture of studied communities. It opens a window to the participants' reality and allows the themes to emerge without posing predetermined theory (Kozinets, 2006). These advantageous makes this virtual ethnography an appropriate method for this research that required deep understanding of a dynamic, fast changing and under researched issue.

3.4.1.1. Netnography Steps

Kozinets (2010) has provided practical steps that can be followed in order to conduct netnography:

1. Making cultural entree
2. Data collection
3. Data analysis.
 - a. Coding
 - b. Abstracting and comparing
 - c. Checking and refinement
4. Theorizing

5.4.1.1. Making Cultural Entree

The first step in conducting a netnography study is site selection. In this regard, many reviews sites have been published after the emergence of web 2.0 technology such as Tripadvisor, Lastminute, epinions.com, dooyoo.co.uk, productopia.com. They offer customers the ability to share their experiences about, almost, all products and services. Additionally, customers have the ability to use other social networks such as Facebook and Twitter. Nonetheless, according to Kozinets (2010) there are a number of factors that the researchers might consider to make a better decision when choosing a web site. The most related factors are shown in the table below.

More focused and research question-relevant segment, topic, or group	Tripadvisor is one of the few review sites that allow sellers to respond to customers and tell their side of the story. This in turn makes it appropriate for the main issue of this research as it aims to explore sellers' response strategies.
Higher "traffic of postings	It is stated in Tripadvisor's site that it is the largest review sites in the industry. While this claim is difficult to investigate, it is still one of the main sites in the industry.
Larger numbers of discrete message posters	Tripadvisor claims that millions of reviews are posted regularly, and millions of customers (new and repeated) visit the site every month. These reasons make TA one of the most active site in the industry.

Figure 15: Criteria of Choosing a Site for a Netnography Study. Adopted from Kozinets (2010)

3.4.1.1.1. Data Collection

Collecting data for an internet phenomenon has been a controversial issue at some points Especially it has some methodological applications (Orgad, 2009). On one hand, some researchers investigating Internet phenomenon have collected offline data to answer their research questions. For example, Pew Internet and American Life Project which is a well-known organisation concerned about the use of communication technology still relies on some traditional methods to collect data such as surveys. This approach can be noticed in the literature of eWOM. Some researchers have

collected offline data claiming it is enough to answer their research question. For example, questions about the motivations to engage in eWOM as a reader or contributor (Hennig-Thurau and Walsh's, 2003, Daugherty et al, 2005), evaluating the credibility of the CR's and their influence on the customers (Bickart and Schindler, 2001) and the antecedents of eWOM (Harris and Ogbonna 2006, Harrison-Walker 2001) are examples of studies using offline data.

On the other hand, there have been numerous studies, especially in the early days of Internet research, drawing exclusively on online data. For example, Donath's (1999) study of identity deception in an online community, Reid's (1999) exploration of social control in MUDs, and Danet et al's (1997) study of language use in computer media - all relied on analysis of online texts and interactions. In this regard, Eichhorn argues that "understanding people's lives, particularly in the technologically driven Western world, may sometimes require ethnographers to do what the people they seek to study do, even if it necessitates staying at home" (p. 566). In relation to eWOM literature in particular, large portion of studies have relied on online data alone to investigate some critical issues such as the impact of CR on customers and businesses (Zhang et al. 2010, Black and Kelley 2009, Chevalier and Mayzlin 2006) .

In terms of eWOM literature particularly, all the studies regardless their data sources, online or offline, have contributed to our understanding to this phenomenon. However, missing the offline or online context in these studies might prevent accepting their findings. For example, the relation between sales and CR, where online data are used in separation of offline data, it is not clear whether CR lead to more sales or it is the popularity of a particular product or a service that leads to more CR. For example, Duan et al (2008) found that the relationship between the movies' rate and sales is far more complex than a simple direct linear relationship. Another example, Clemons and Gao (2008) examined the relationship between CR and the hotel sales and found that more positive reviews leads to more sales. However, the researchers relied on the available data in the site to determine the hotels' sales. Some important data such as the total sales or the number of rooms offered in a particular site might not be offered. Therefore, the performance of a particular hotel might not be reflected by one site. Similarly, exploring how customers evaluate the credibility of CR, which is a topic that used offline data alone (Park et al., 2011, Xie et al., 2011). Indeed, without shedding some light on the characteristics, writers, and platforms of CR might not give a full picture of the phenomenon. Another concern is that the availability and accessibility of online data might

tempt some researchers to rely on this source alone regardless its sufficiency to understand the Internet phenomenon especially when obtaining offline data is difficult.

Indeed, the issues mentioned above might raise an important question: what data can be used? However, there might not be a short answer or a fast recipe to decide whether online or offline data should be collected. The broad answer is that this depends on the research questions and objectives. Nonetheless, Wilson and Atkinson (2005) suggested that the relationship between participants' online activities and their offline social action should be one of the determinants of deciding what data should be collected. In relation to the current study, the decision was to collect online and offline data for the following reasons:

1- Kozinet (2010) argues that netnography is different from other qualitative methods such as network analysis or content analysis where the researchers interact with the website or documents. It is not a “coding exercise” where researchers code sentences or paragraphs. It goes further to grasp the cultural dimension of a certain community (Kozinets, 2010). This requires type of interaction with the participants. Therefore, it is important to interact with this community’s members.

2- Additionally, the phenomenon discussed in this research, eWOM, can be observed online. However, it is a result of offline experiences. Customers write negative eWOM because they are dissatisfied about some aspects of the service.

3- Additionally, its impact and applications are experienced and discussed in the offline environment context. For example, when discussing the impact of negative eWOM, we refer to the number of customers who physically visit a hotel.

4- More importantly, this research aims to explore this phenomenon from managers’/owners perspective. In this regard, while some aspect of the strategies can be noticed online such as their replies and posts, their conception and their implications are better discussed where they are, offline environment. Therefore, the nature of this problem requires investigating the both environments.

The following sections will discuss the process of data collection in both online and offline settings.



Figure 16: Data Collection

3.4.1.1.1. Online Data

According to Kozinets (2010) that there are at least three important elements of data collection when studying online communities. The first two will be labelled in this research as online data, while the third one will be labelled as offline data. This discussion will be followed by explanation of the sampling strategy.

1-The archival data, which is the data the researchers directly copy from the computer-mediated communications of online community members. This element refers to managers’/owners responses and posts to negative eWOM which is the main focus of this research.

2- The field-note data which results from researchers’ observation of the community and its members. This refers to the entire content that can be observed. This element in particular is important in a rich content like Tripadvisor. This site includes lots of aspects that can be observed. For example, there is the official rating, Tripadvisor rating, customers’ voting to the most helpful review, customers’ profiles, hotels’ photos taken by guest and many more. In this regard, Kozinets (2002) suggests that doing netnography is a “game” and the researcher should observe every aspect of this game such as act, type, content of posting and so on. This element, therefore, helped to uncover the content richness of

Tripadvisor and made data collection and analysis more than “coding exercise” (Kozinets, 2002). The field-note data might have not been included in the data analysis directly. However, they were used for further data collection and analysis. For example, during the interviews, participants were asked about some aspects of their profile in Tripadvisor. For example, one of the participants explained that the importance of Tripadvisor rating for his hotel especially that he is rated number one in his area at the time of the interview. He stated:

“It take a year to come back to the first position if you get one negative review”

This question would not have been asked without collecting many data about the case. The manager continued his explanation to describe the importance of Tripadvisor rating for his hotel.

3.4.1.1.1.2. Sampling Strategy

Sampling strategy is always a critical decision to make but tends to be challenging in online research. In this respect, Kozinets (2010) cautions that despite the multi advantages of netnography, it is still largely text-based and overwhelming which might lead to superficial decontextualized and interpretation. Different procedure have been followed in order to overcome these challenges. The table below shows these challenges and the procedures followed to each one.

Challenge	Procedure	Description
Overwhelming data	1	The data included should not be older than 12 month. There are two main reasons for this criterion. Firstly, this study assumes that customers give more attention to the most recent reviews. Secondly, there is no point building a theory based on outdated data and old practices.
	2	According to UK tourism board, British cities can be classified into three groups: City, Seaside, and town. Therefore, three cities were selected to represent each one of these types, Manchester, Blackpool and Lake District. There is an element of convenience sampling in selecting these cities. These three cities are geographically close to the researcher, and more importantly, access was granted for further offline data collection.
	1	According to Urquhart and Vast (2012) in the case of long online interaction and conversation, texts can be classified into a main and secondary text. Researchers might give some attention to the secondary texts, which are the customers’ reviews in this research, but focus on the main texts, which are the managers’ responses.

Decontextualization	2	Managers' responses are created as a response to negative customers' reviews. This means that the interaction occurs in a very specific context. Therefore, the themes that might emerge are limited.
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Figure 17: Challenges of collecting data online

3.4.1.1.1.3. Offline Data

The third element is the elicited data that the researcher might co-create with cultural member through personal and communal interaction. This element refers to the semi-structured interviews that were conducted during the second phase of this study. Therefore, it will be discussed in more details in the next section. Indeed, it is mentioned above that netnography is different from other qualitative methods in a sense that it tries to grasp the cultural dimension of the community. According Kozinets (2010), this can be achieved by interacting with the members of the communities. Kozinets (2010) states:

“Data collection in netnography means communicating with members of culture or community. That communication can take many formats. By whichever form it takes, it entails relevant, contact, interaction.....with community members-not with a website, server or a keyboard but with people on the other end. Kozinets. p. 95”

3.4.2. Multi Case Studies

Easton (2010) defines case study as “investigation of one or a small number of social entities or situations about which data are collected using multiple sources of data” (Easton, 2010 p. 119). Yin (2003) defines it as “an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident” (Yin 2003, p. 13). By focusing on a “sustained consideration of activities and behaviour in a particular location” Similarly, Mitchell (1983) suggests that a case study is “detailed

examination of an event (or series of related events) which the analyst believes exhibits (or exhibit) the operation of some identified general theoretical principles (p. 192)”.

This approach is used for under-researched topics and when a new perspective is needed. This in turn makes it appropriate for this research especially that its main claims is that hoteliers’ perspective is important but overlooked. This approach is also appropriate when the problem is complex, and there is a need to understand “**how**” and “**why**”. According to Yin (2004), case study approach can have distinct advantage to answer these questions. Similarly, Bromley (1986. P.23) suggests that case study approach offers a direct access to the subjective factor such as thoughts, feeling and desires in comparison with experiments and surveys which have limited capacity to cover. In relation to this research, the aim is to understand how managers perceive negative eWOM, how they perceive negative reviews, how they respond to them, and why. For all these reasons, case study approach lends itself to this research. Observing managers’/owners’ posts and discuss them during the interviews helped to reveal some of the underlying assumptions of the online response strategies. This might not have been possible with other method such as surveys.

From philosophical perspective, Bhaskar (1975) the founder of critical realist, did not specify a particular research approach to be used within critical realist. However, different researchers have suggested that case study is the best approach to explore the interaction of structure, and complex causal mechanisms (Ackroyd 2010, Easton 2010, Miles and Huberman 1994), which makes it case study an appropriate approach to use within critical realist stance paradigm.

While a single case can give rich description of the existence phenomenon (Siggelkow, 2007), multi cases can increases the scope of the investigation and provide a more rigorous and complete approach (Eisenhardt, 1989, Eisenhardt and Graebner, 2007). Moreover, this strategy goes further and provide a stronger base for theory building. It makes the theory better grounded, more accurate, and more generalizable (Yin, 2004). Nonetheless, researchers’ intention to conduct multi cases might differ based on the adopted paradigm. Form positivist view, cases are considered separate experiments to enhance the generalizability and achieve validity. On the other hand, replication, from critical realist, might be useful for teasing out the impact of additional contextual and structural factors on the candidate mechanisms. However, it is not necessarily sufficient to falsify a proposed mechanism or enhance its validity. According to Van de Ven (p. 177), in the case of social science,

cases are not sufficiently specific for using replication logic to disconfirm a theory. Instead, detailed qualitative can be used as a ground for theory development.

3.4.2.1. Limitations of Case Study Approach

Case study approach has been criticised for different reasons. However, Flyvbjerg (2006) argues that these criticisms might be a result of misunderstanding what this approach has to offer. The table below shows the criticisms and the answer to each one of them.

Five misunderstandings about case study research

Misunderstanding	Explanation
General knowledge is more valuable than context-specific knowledge.	Universals can't be found in the study of human affairs. Context- dependent knowledge is more valuable.
One can't generalize from a single case so a single case doesn't add to scientific development.	Formal generalization is overvalued as a source of scientific development, the force of a single example is underestimated
The case study is most useful in the first phase of a research process, used for generating hypotheses.	The case study is useful for both generating and testing of hypotheses but is not limited to these activities
The case study confirms the researcher's preconceived notions	There is no greater bias in case study toward confirming preconceived notions than in other forms of research
It is difficult to summarize case studies into general propositions and theories	Difficulty in summarizing case studies is due to properties of the reality studied, not the research method

Table 6: Five Misunderstanding of Case Study. Adopted from Flyvbjerg (2006)

3.4.2.2. Steps of Conducting Case Study

Indeed, some of the case study pioneers stress that the philosophical stances in the case studies should be objective as Eisenhardt and Graebner (2007) said ‘Although sometimes seen as “subjective,” well-done theory building from cases is surprisingly “objective,”’. However, Urquhart and Vass (2012) suggest that the steps set by Eisenhardt (1989) might be followed regardless the philosophical stances adopted by the researcher. The table below shows the steps of conducting a case study research.

Step	Activity	Explanation
Getting started	Definition of the research question	The research started by a broad question about the interaction between hotels and dissatisfied customers and became more specific after the initial analysis of hotels posts. Then, the questions became more focused on the online and offline strategies adopted to response to negative reviews
Selecting cases	Theoretical sampling	Online response strategy was used as an analytical base to select cases. Cases grouped based on similarities and differences
Crafting Instruments and Protocols.	Multiple data collection	Interviews, audio recording, web site, hotels’ posts...etc. The data is qualitative.
Entering the field	Overlap data collection and analysis, including field notes. Flexible and opportunistic data collection methods	The nature of qualitative research is messy and unpredictable. Therefore, the elements of time and required accesses might affect the way data are collected
Analysing the data	Cross case pattern search using divergent techniques.	This research will follow cross cases only because the cases that have been selected follow “one response strategy”
Shaping Hypotheses or Theory testing	Iterative tabulation of evidence for each construct	Codes, categories and themes will be used in building the theory
Enfolding Literature	Comparison with conflicting	The literature studies will be reviewed by the end of this stage.

Table 7: Steps of Conducting Case Study. Adopted from Eisenhardt (1989)

3.4.2.2.1. Getting Started

According to Eisenhardt (1989), while researchers can start their journey with research questions, no constructs are guaranteed a place in the resultant theory and questions might shift during the research. In relation to this research, the initial question was:

How do managers interact with negative reviews?

As a result of the first phase, it was noticed that different managers/owners follow different strategies to respond to the complainants. Therefore, the first research question was:

What are the online response strategies that managers/owners follow and why?

Additionally, it was observed that managers/owners refer to the offline context in their responses. Some of them acknowledge that some changes will be taken and others stress that there is no need or ability to make any change. As a result of these different actions, the second question was formulated:

What are the offline response strategies that managers/owners follow and why?

At the second stage, multi cases, it was noticed that there is a perception issue. Some managers warn that negative reviews can be the “tip of the iceberg” and others argue that these reviews are “only snapshot of customers’ opinion at a time” Therefore, the third research question was added as follows:

How do managers/owners perceive negative customers’ reviews?

3.4.2.2.2. Selecting Cases

The appropriateness of a particular sampling strategy depends on the research questions and objectives. This research aims to build a theory and therefore theoretical sampling should be adopted. This, however, might create some confusion for some readers who are concerned about the notion of “representativeness”. In response to this concern, Yin (1994, 2000) and Eisenhardt (1989) argue that the aim is to contribute to the theory not population. In this regard, Eisenhardt and Graebner (2007, p 27) state:

“How can the theory generalize if the cases aren’t representative? A key response to this challenge is to clarify that the purpose of the research is to develop theory, not to test it, and so theoretical (not random or stratified) sampling is appropriate. Theoretical sampling simply means that cases are selected because they are particularly suitable for

illuminating and extending relationships and logic among constructs....for the likelihood that they will offer theoretical insight”

Indeed, according to Halkier (2011), the existing literature discusses the notions of contribution to theory and analytical generalisation at a relatively abstract and general theoretical level without necessarily “translating” such abstract epistemological principles into more operative methodological strategies. Halkier (2011) argues that there has been focus on the understandings and theoretical engagements, rather than methodological procedures. According to Halkier, this follows that it is essential to describe and discuss more operative ways of dealing with this notion as methodological procedures in qualitative research. She further suggests three different ways that researcher can follow:

- 1 ideal typologizing,
- 2 category zooming, and
- 3 positioning.

The first strategy, ideal typologizing, is adopted for this research. Based on this strategy, researchers develop a typology of a particular phenomenon based on their research interest in particular and uses it as a base for further data collection and/or analysis. In real life, however, cases (individuals, organizations, etc.) might fit in different groups in different occasions. However, the aim is to investigate the behaviour pattern rather than the individuals or population.

Halkier (2011) gave an example of this notion in her research. Halkier suggested that food practitioners can be classified into four groups based on their healthy cooking habits. Each group includes different participants. However, Halkier clarifies that the same participants might fit occasionally in different groups. She states “a considerable reduction of complexities takes place. Thus, many other patterns and the overlaps, grey zones, shifts, and multiplicities run a risk of not getting represented through ideal typologizing, even when the ideal typology is a more social constructivist”. Weber (1949), who is the founder of this notion states “it is probably seldom if ever [the case] that a real phenomenon can be found which corresponds exactly to one of these ideally constructed pure types” However, it helps to represent a comprehensive covering kind of pattern of the empirical data material, central to the main research question.

In relation to this research, the first stage, netnography, has shown that there are four main online strategies that hotels' managers/owners follow. These strategies were developed based on three dimension, distributive dimension, interactional dimension and responsibility dimension. The typologies development will be explained in more details in the following section (p92-p105). Similarly to Halkier's example, managers/owners might follow different strategies at different occasions. For example, a manager/owner might be responsive in one case and defensive in another. Another example, while some managers/owners tend to respond regularly to the complainants, some of them might follow no response strategy in some cases. Even more challenging, some of them might follow different strategies in one occasion. This practice can be seen when they discuss more than one point in their messages. For example, it is not uncommon that a manager/owner accepts the responsibility of one failure and refuse to take any responsibility of other failure. However, as highlighted by Halkier, the aim is to investigate the behaviour not the individual. Therefore, cases were selected based on their tendency and likelihood to follow a particular strategy.

Yin (2014), who is widely cited for his contributions to the case study approach, refers to Halkier's approach by stating "the creation of some typology of analytic generalizations, along with the operational procedures for deriving each type, would represent a greater advance than has been experienced during the past couple of decades". He further suggests that further research adopting Halkier's notion could build important methodological lessons.

The section above has established the notion of developing a typology to guide further data collection and/or analysis. In the following section, more details will be included about the cases selection.

As mentioned previously, the first stage, netnography, has revealed four online response strategies. The decision, therefore, was made to select three cases for each theme (strategy type). However, due to the limitation of accessibility and resources, only one theme, responsive strategy, was represented by three cases. Both diplomatic and defensive were represented by two cases and no response strategy was presented by one case. Four cases were conducted during the pilot study stage and other four cases for the second stage. This variation in the number of cases assigned to each theme (response strategy) is acknowledged as one of this research limitations.

As mentioned previously, the “ideal type” represents an extreme form of the problem and can hardly be observed in the real life. In relation to this research, some hotels tend to focus on one single strategy while others “mix and match” between different strategies at different occasions. Therefore, the decision was to select the cases based on their tendency to adopt a particular strategy. This strategy is referred to as Intensity sampling. Patton (1990) suggests that researchers following this strategy might select cases that can manifest the phenomenon of interest intensely.

After developing the online response strategies and setting the analytical ground to select the cases, each one of these cases were selected based on the manager’/owners’ tendency to adopt a particular strategy. The following table shows the first four cases conducted during the pilot study stage:

Strategy type	Case	Participant	Description	Data sources
Responsive	Case 1	Owner	Owner tends to be responsive and positive with all the customers	Interview/ online messages
			Rooms: 10	
			Official Rank: 2 stars	
			Tripadvisor Rank: 4 stars	
Diplomatic	Case 2	Owner	Owner tends to be diplomatic most of the time.	Interview/ online messages
			Rooms: 10	
			Official Rank: 2 stars	
			Tripadvisor Rank: 5 stars	
Defensive	Case 3	Owner	Owner tends to be defensive with all of the customers.	Interview/ online messages
			Rooms: 9	
			Official Rank: 2 stars	
			Tripadvisor Rank: 4 stars	
No Response	Case 4	Owner	Owner did not respond to any negative review	Interview/ online messages
			Rooms: 15	
			Official Rank: 5 Stars	
			Tripadvisor Rank: 5 stars	

Table 8: Details of the Selected Cases.

By the end of the first stage, the theory was developed. Therefore, the next stage aimed to replicate the investigation in new context. In this regard, Yin (2004) suggests that there are two types of replication:

- 1 literal replication and used when the findings are expected to be similar, and
- 2 theoretical replication and used when the findings are expected to be different.

In relation to this research, literal replication was followed. As mentioned previously, UK Tourism Board classified British cities into four groups, city, seaside, town and country side. The four response strategies were examined in (Lake District) in the first stage of the study. Therefore, the intention was to re-investigate these strategies in a city and seaside. Responsive strategy was investigated in another two big cities, Manchester and Edinburgh, and both diplomatic and defensive strategy were re-examined in a seaside city. As mentioned previously, there has been element of convenience in selecting these cities due to the accessibility limitations. The table below shows the cases conducted in the second stage

Strategy type	Case	Participant	Description	Data sources
Responsive	Case 5	Mid-manager	Manager tends to be very positive with all customers	Interview/ online messages
			Rooms: 195	
			Official Rank: 3 stars	
			Tripadvisor Rank: 4.5 stars	
Responsive	Case 6	Duty manager	Manager tends to be very positive with all customers	Interview/ online messages/ Offline observation
			Room: 66	
			Official Rank: 3 stars	
			Tripadvisor Rank: 4 stars	
Defensive	Case 7	Manager	Manager tends to be very positive with all customers	Interview/ online messages/ Offline observation
			Room: 41	
			Official Rank: 2 stars	
			Tripadvisor Rank: 5 stars	
Diplomatic	Case 8	Owner	Manager tends to be diplomatic most of the time.	Interview/ online messages/ Offline observation
			Room: 209	
			Official Rank: 2 stars	
			Tripadvisor Rank: 3 stars	

Table 9: Details of the Selected Cases.

How many cases?

The tables above show that the total cases of this research are 8 cases. However, is this enough?

Indeed, there is no definite number that can be argued for. For example, a single case study can be as valuable as multi cases. For instance, most of what we know about human's brains has come from a single case study (Siggelkow, 2007). Siggelkow (2007) argued for the contribution of a single case study by stating a story of an American railroad construction foreman who survived and continued living for 12 years with a large hole in his head and major destruction to his brain's frontal lobes, after suffering an accident with an iron rod.

Multi cases, on the other hand, can introduce better findings and more rigour. Moreover, it enhances the theoretical generalizability. In this regard, some researchers have argued for different numbers. For example, Eisenhardt (1989, p. 545) suggests between four and ten cases:

“While there is no ideal number of cases, a number between four and ten cases often works well. With fewer than four cases, it is often difficult to generate theory with much complexity, and its empirical grounding is likely to be unconvincing.

Eisenhardt (1989) offered seven examples of studies using case study approach to build a theory (Table 1-4). The number of cases used in these studies ranged from 1 to 10 cases. Hedges (1985) suggests an upper limit of 12 due to the high costs involved in qualitative interviews. Miles and Huberman (1994, p. 30) suggest that more than 15 cases makes a study “unwieldy”.

3.4.2.2.3. Getting Access

Indeed, getting access to the hotels was one of the main difficulties in conducting this research and might have been one of the reasons that led to neglecting their perspective. Different strategies were followed to get access to the cases reported in this research. During the pilot study, hotels were contacted and asked to take part of the study. Other cases were approached at the site and invited to take part of the study. As mentioned previously, intensive sampling strategy was adopted which means selecting cases based on their tendency to focus on one response strategy. However, there has been an element of convenience sampling due to the accessibility restriction.

Some important ethical challenges were encountered in some cases. Some hotels were approached without invitation. However, every effort was made to make sure that the process is ethical. In one of the cases, the owner showed his disagreement and cancelled the booking. His decision was respected

and his hotel was not included in this research. Another example, participant was the duty manager of a hotel of a big chain, and she did not agree on recording the interview as her opinions and views do not necessarily reflect the head office's policy. Her request was respected and the interview was not recorded.

In order to protect the identity of the participants their real names are not mentioned in this research. Instead, they were given numbers. For example, the first participants is referred to as case 1 and the second participant is referred to as case 2 and so for the rest of the participants. Additionally, when a participant mentioned the name of his/her hotel, it is replaced with "this hotel" or "our hotel"

3.4.2.2.4. Data Collection

3.4.2.2.4.1. Netnography

As mentioned previously, the cases were selected based on their response strategies. The targeted hotels' replies were analysed before conducting the interview. This indeed, has helped to highlight some of the important issues for every case and informed some of the interview questions. It helped to make the interview questions more relevant to every case. That it is to say, every participant was asked the same questions which were decided based on the first phase, Netnography. However, every case has its uniqueness that should be considered. For example, every participant was asked some questions about his/her comments in particular instead of asking very general question.

3.4.2.2.4.2. Interviews

Case research is essentially eclectic with respect to the kinds of data that might be collected. Too often case research is equated with qualitative data collected by semi-structured interviews. The strength of this method is that it is highly flexible (Easton, 2010). However, a main challenge in conducting this type of interviews is the limited access to the participants. The main participants are managers and owners who might be extremely busy with limited time. Therefore, the flexibility of the conducted interviews was limited. More specifically, the pilot study included four hotels' managers/owners. The participants were generous with their time and therefore the interviews were mostly semi-structured.

However, the cases of the second stage were more structured due to the accessibility limitations. Additionally, the cases and interviews in the second stage were conducted to test the theory developed in the first stage. This in turn required researchers to follow the same procedures. Therefore, there was an intention to ask the same question.

Indeed, there are different criticisms for interviews as a data collection strategy. The main criticism is that we do not know if participants tell the truth. This can be a main difficulty especially when the questions are sensitive. Indeed, there are some matters interviewees are unable or unwilling to talk about. In relation to this research, service quality and customers satisfaction are two examples of sensitive questions. Some managers/owners might be reluctant to explain their strategies or views about such issues. This issue was noticed during contacting potential participants and inviting them to take part of the study. Those who were following either “no response” or “defensive” strategy were less willing to take part. One of the simple techniques followed is using both interviews and observation. In this regard, observation is suggested to be a complementary strategy for the issues that participants might not be willing to discuss (Becker and Geer, 1957). Therefore, managers/owners were asked about their own replies in TA. As mentioned above, when a manager/owner agreed to participate, his/her replies and comments were reviewed and listed for further discussion. Indeed, this techniques made the interviews more practical and the questions more relevant. More importantly, the answers can be more accurate.

Participants

Hotels in general vary in terms of ownership and hierarchical structures. Some hotels are family business and run by the owners while others are parts of chains and run by managers. In some cases, the manager or the owner is the responsible for responding to the reviews. In other cases, especially the big chains, there are social media teams responsible for this duty. In relation to this research, most of the participants are either manager or owner. However, two cases are exceptional, case 5 and case 6. In case 5, the main informant was mid-manager but the responsible for responding to the negative reviews. In case 6, the access was limited to the duty manager. However, she was ready to explain her hotel's strategy to the negative reviews in particular and answer other questions related to the main

strategy. Additionally, she explained some aspects of the operational side of responding to the negative reviews which was a valuable contribution to the case.

3.4.2.2.4.3. Offline observation

As mentioned above, the agreed accessibility varied among the cases of this this research.

Some of the cases reported in this research were approached directly at the site of the research and asked to take part of the study. Therefore, observation was not possible in all cases.

Offline observation, even though was limited, raised some important questions that were discussed with the participants during the interviews. For example, in one of the cases, the hotel was almost full, and most of the guests were elderly people. This was not expected as it had more than 1500 negative review at that time. Additionally, there was a queue to check out despite the fact that the procedures tend to be easy and fast. All what guests have to do is hand the electronic card to the receptionist. During the interview, the manager clarified that they target elderly people as they come out of the season and during the week. More surprisingly, there is a queue to check out in some cases because some guests book for their next stay before they leave. These clarifications supported the manager's argument that negative reviews have no impact on his hotel.

Another example of offline observation, a bus of about 50 passenger was parking next to the hotel. Again, all the passengers were elderly people. When this observation was discussed with the hotel owner, he explained that they regularly host large groups which in many cases include guests over 50s. He explained that this one of the main strategies to attract customers not just in his hotel but rather most of the hotels in the area.

These observations were not used as they would be in the case of ethnography studies where the researcher might rely to some extent on his/her observations. As mentioned above, the access was limited in some cases. However, they were used for further investigation.

3.5. Data analysis

Step	Explanation
Coding	<ul style="list-style-type: none">- Data of 12 months from May 2013 to April 2014-Line-by-line coding to formulate the research questions and objectives.- Coding was guided by the research questions and objectives, and informed by the literature (theory driven coding).- Latent analysis was adopted (focus on the meaning not just words and phrases)
Abstracting and comparing	<ul style="list-style-type: none">-Developing the main categories-Finding the properties of the developed groups
Theorizing	<ul style="list-style-type: none">-Selecting the most appropriate model structure (input-process-output)

Table 10: Process of the Data Collection and Analysis

Indeed, the power of Netnography is in its focus on capturing the cultural dimension of online communities. However, when it comes to the data analysis, netnography lacks for unique or special analytical approach. The founder of netnography argues that researchers can follow a pragmatic approach without being restricted to specific procedures (Kozinets, 2010). In his seminal book, Kozinets (2010) suggests that that researchers can follow one of the commonly used qualitative methods as explained Matthew and Huberman (1994). Additionally, he suggests that grounded theory offers two operations that are useful for integrating the categories and constructs to higher level of abstractions, laddering them upwards and then specifying the relationships that link them together. Axial coding integrates coded data into theory by noting the contexts, conditions, strategies, and outcome that tend to cluster together. Therefore, it might not be surprising to notice that some researchers apply traditional methods with some modifications in their netnography studies such as online questionnaires, content analysis, critical discourse analysis, grounded theory and others.

In relation to this research, the data process of this research has followed grounded theory approach in essence that the data was coded line by line, codes were grouped based on constant comparison, resulted groups were related to each other to build a mode. Nonetheless, unlike the grounded theory

where researchers have the obligation to be biases-free and perform the whole process without being affected by the literature, the process of data analysis of this research was informed by the literature in most of the cases. The codes were borrowed from the literature, codes were grouped in categories based on constant comparison but the literature has provided the analytical ground for this analysis. For example, previous research has shown that there are at least three dimensions of businesses' recovery strategies which was examined against the collected data. Two dimensions were found relevant (distributive and interactional) while the third one was not (procedural). This shows that even though the literature provided analytical ground to analyse the collected data, the data were not enforced into predetermined categorise.

In this regard, using the process of grounded theory has been recommended by different researchers. For example, Urquhart (2010) suggests that even when the researchers do not intend to build a theory using a grounded theory, the process of this method can be adopted due to its systematic procedures. Similarly, Kempster and Parry (2011) suggest in the case of theorizing researchers can use the process of grounded theory and at the same time review the literature. They suggest that this helps provide concepts, abstracts and different explanation of the discussed phenomenon which might not be offered by the data.

3.5.1. Coding

3.5.1.1. Reading Transcripts

Reading, or observing as it is the case in this research, started as soon as the anomaly was observed. As mentioned previously, it was surprising that some managers/owners engage in long arguments with their customers and respond very aggressively. This was the “keystone idea” which then stretched to include other facets of the main phenomenon, responding to negative reviews. Since then, the data was approached several times. Managers’/owners’ posts were read and re-read as a basic practice in most of the qualitative methods. In this regard, it is stressed that researchers have to live with and breathe the data (Ryan and Bernard, 2000). This is the case in the critical realist where researchers prepare a list of possible explanations and theories to explain a surprising and anomaly observation. This is the stage where some theories are listed waiting to be examined against the data. At this stage, different theories were considered as potential candidates to give satisfying explanation

of the observed phenomenon. These theories were suggested by the previous research, members of the review panel, and the initial thoughts during the reading. For example, **WOM, customer relationship management, complaining behaviour, public relation, and service recovery**. All these areas could have been adopted for this research. Every one of them covers some aspects of the phenomenon. However, as Van de Ven (2007) suggests, there is no right or wrong choice, it is the researcher's interest what makes some explanations more appropriate. Researchers, however, should be aware that a way of seeing is a way of not seeing (Poggi 1965 as cited in Van de Ven)

Reading the transcripts, which are the managers' posts, started at the pilot study stage 2012. Since then, reading the managers'/owners' posts has been a regular exercise of this research. However, the final draft includes data of 12 months from May 2013 to April 2014. This decision was made to make the process of data collection and analysis manageable. Additionally, there have been some changes in TA in general. For example, the number of managers/owners responding to negative reviews have increased, and some functions and facilities have been added. Therefore, there was a concern that including old posts might lead to discussing outdated practices.

3.5.1.2. Generating Codes

Indeed, coding starts as soon as observation starts. It refers to assigning unique labels to text passages that contain references to specific categories of information (Ryan and Bernard, 2000). In this regard, it is suggested that there are two main approaches in coding in the thematic analysis, theory driven and data driven (Ryan and Bernard, 2000). Theory driven approach, which is the most commonly reported in the qualitative research, means that the researcher should approach the data with fresh eyes and without any preconception or judgements about the data. In other words, researchers try to avoid posing any codes or themes from the literature. On the other hand, theory driven approach means that the data is coded based on the literature. The latter option was adopted in this research. As mentioned previously, from critical realist view, it is not possible to approach the data with no prepositions and all our observations are theory laden. Therefore, the approach is followed in this study is theory driven. The coding process was guided by the research questions and objectives, and informed by the literature. For example, different studies reported that strategies that businesses follow to respond to offline complaints such as apology, compensation, sympathy and

others. These codes were used during the coding process.

The second option that researchers have to make is the analysis level. In this regard, Braun and Clarke (2006) differentiate between two level of analysis, semantic and latent analysis. In the case of a semantic approach, the themes are identified within the explicit or surface meanings of the data. Researchers in this case are not looking for anything beyond what a participant has said or what has been written. On the other hand, the latent level goes beyond the semantic content of the data, and starts to identify or examine the underlying ideas, assumptions, and conceptualizations. Researchers choose their approach based on their aims, research questions and objectives. It also depends on the data itself. In relation to this research, the aim is to understand how managers/owners respond to negative reviews which require going beyond the surface level of the data. Additionally, while some posts are clearly coded and classified under one of the main themes, others tend to be more complex and more difficult to assign to one theme. The following examples show some parts of managers/owners' posts which were easily and clearly classified under one of the main themes.

“You should not really have been asked to leave your table. This is not acceptable”

“I completely agree that hot water is a basic requirement in any hotel”

The following examples show some examples of data that required some interpretation to proceed the coding process.

“I'm sorry that the colour scheme in your room wasn't to your taste”

“We are sorry to hear you did not enjoy your weekend break at the hotel, I am surprised to hear your comments regarding unfriendly staff customer service is an area we are always getting praised for”

In the first example, the manager/owners apologized for the customer for not being satisfied about the room. However, he referred to the customer' taste. This gives impression that the problem is not with the hotel's service but rather with the customer' preferences. In the second example, the manager/owner showed his surprise that his guest complained about the staff. Reading the rest of the message might reveal the manager's/owner's meaning and whether he/she meant that this incident is unusual, or the complainant is inaccurate. Nonetheless, interpretation is required for coding this type of data.

Most of these codes were borrowed from the related literature. For example, previous research has shown the strategies that businesses follow to respond to traditional complaints. These strategies were found relevant in this context. Nonetheless, some codes were developed to reflect the data and the context of this research. For example, it was found that managers/owners normally invite customers to re-visit the hotel in the future. Such a practice might be common in the offline environment and might be included under the interactional justice dimensions. Managers/owners recover to retain their dissatisfied customers even if they do not invite them for another visit. However, no codes reflected this aspect in particular. Therefore, “faith keeping” was developed to fill this gap.

Example	code
I am sorry to hear that...	Apology
I sent you a voucher to show our regret.	Refund
Your feedback is very important to us.	Interest showing
I do hope that you will come back to visit us again in the future.	Faith regaining
you fail to mention that I did offer you and your wife a free weekend stay with us.	Argue
This woman either has trouble reading or she is just plain rude and ignorant.	Attack
it is clear this person is a perpetual moaner.	De-personalise
I agree that whatever the cause of the marks, they should not have appeared in the room.	Accept
The suggestion that we” forced you to leave” is blatantly untrue.	Deny
We were not aware of this problem.	Excuse
Our dinner menu is fixed and offers no choice... This enables us to use all fresh and top quality ingredients	Justify
You simply should have told one of the staff, they would have done their best to sort it out.	Blame

Table 11: Example of Open Coding

3.5.2. Abstracting and Comparing

This stage refers to the process of classifying codes into large groups based on constant comparison between codes and codes, and at the same time between codes and groups. It is an extension of the coding process and a starting point for theorizing (Kozinets, 2010). Kozinets suggests that researchers can use grounded theory techniques at this stage which is followed in this research. However, unlike the grounded theory where researchers perform this process with no regard to the

literature, the process of this research was informed by the literature. The literature provided the analytical ground to process the classification of codes. However, no codes were forced into any predetermined groups. The literature provided suggestions of how to group the data. Yet, the decision was based on the data.

This stage has two main functions (Strauss and Corbin, 1990):

- 1- Developing the main categories in the data.
- 2- Highlighting the properties and/or dimensions of the developed categories.

In this regard, three main categories were developed:

- 1- Perception.
- 2- Factors influencing strategy adoption decisions.
- 3- Response strategies:
 - a. Online response strategy.
 - b. Offline response strategy.

The following sections will discuss these three groups.

3.5.2.1. Perception

The initial coding and constant comparison have shown that different participants have different perception of nCR. While some of them believe that it is “the tip of the iceberg” others believe that it is “irrelevant”. This in turn has led to the third research question: **how do managers/owners perceive negative reviews?**

As soon as the question was formulated, the data was visited several times aiming to answer this question. As the coding process is theory-driven, the literature was reviewed to explore how the perception of nCR is defined. In this regard, even with some strict methods such as grounded theory where codes should be developed from the data, Strauss and Corbin (1998) in their grounded theory version have shown some flexibility in using the literature as they suggest that the literature is able to provide examples of similar phenomena that can “stimulate our thinking about properties or dimensions that we can then use to examine the data in front of us” (Strauss and Corbin, 1998, p. 45). In this respect, the literature has shown that that nCR can be an opportunity to improve the

overall service quality (Sparks and Browning 2010). However, it can also represent a serious threat to the businesses given that large portion of customers consult review sites when buying products and services (Lee et al. 2008). Additionally, previous research has suggested that negative reviews show customers' satisfaction and perception of the service quality (Lee and Cranage 2012). Yet, little is known about the businesses' perception of this phenomenon which requires deep and close scrutinization of the abstract. In this regard, Kools et al (1996) suggest that it is important that researchers underline the dimensions of the abstracts they use in the case of new perspective and context. Therefore, this research introduced one of the early attempts to understand the perception of nCR from businesses' perspective by underlying the dimensions of this abstract. While the literature has provided some useful suggestions to investigate and routes to follow the dimensions of this phenomenon were underlined based on the process of constant comparison.

Example	Dimension	Main Group
"Negative reviews can be the tip of the iceberg"	Service quality	Perception
"Negative reviews is opportunity, non-complainers is the problem"	Opportunity	
"Negative reviews are generally disaster for any hotel or any business because the public prefers to read negative reviews than positive"	Threat	

Table 1: The First Main Group "Perception" Has Three Dimensions.

3.5.2.2. Factors Affecting Strategies Adoption Decisions

Indeed, little research has been conducted to understand the rationales of businesses' practices. As mentioned above, previous research has been focused on the customers' perspective in particular. However, Schemenner's_(1986) highly cited model was seen to be relevant in this research. According to the author, services can be classified based on the required level of contact and level of customization. Therefore, he suggests that hotels fit in the square where low level of customers contact is required and low level of customisation is offered. Smith et al (2012) used this model to suggest that the nature of service recovery system might depend on the nature of the services provided. Indeed, this study gives an example of how the nature of the operations might affect the service recovery system.

Additionally, Smith et al (2009, 2010) conducted a series of research studies that tried to shed some light on the businesses' recovery practices. Although Smith et al (2009, 2010) called for more

research on this area arguing that it is important and neglected, their studies provided useful insights for this study. Based on these studies, the following factors are proposed as partial explanation of the hotels' response strategies:

- 1- Main strategy
- 2-Marketing strategy
- 3- Operation strategy

3.5.2.3. Online Response Strategies

The initial codes developed in the first round of coding can be classified in one large group “Online Response Strategy”. Most of these codes have been reported in the context of offline (Lee et al. 2011). However, as mentioned previously, it is important that researchers find the properties of the abstracts when discussing a new context or perspective (Kool et al, 1996). In this regard, previous research has shown that offline response strategies have at least three dimensions (Martínez-Tur et al., 2006) :

- 1- Distributive
- 2- Interactional
- 3- Procedural

These three dimensions informed the process of grouping the developed codes. For example, the tangible and intangible compensations such as apology, discount or upgrade for the next visit, and voucher were all classified under “distributive dimensions”. Interest-showing, and faith-keeping were classified under “interactional dimensions”. On the other hand, “procedural dimension” was not found relevant in this context. Procedural dimension refers to the steps and procedures that businesses follow to recover starting from receiving the complaints and ending with the choosing of a particular strategy (Cropanzano et al. 2002). When complaining is easy and the response is fast customers tend to be more satisfied and vice versa (Martínez-Tur et al. 2006). In the context of complaining online, customers do not follow any of the hotels' procedures as they simply complain to a third party. Even though it is possible that customers are invited to visit the hotel or at least contact the hotel for further discussion which might include some procedures, these cannot be observed or discussed by observing the online conversation. Further research, might include some

cases where customers visit the hotel afterwards. However, as far as online context is concerned, procedural dimension is not relevant.

In addition to the dimensions mentioned above, “responsibility acceptance” has emerged as a main dimension of the online response strategies. Responsibility acceptance has been discussed previously in the context of traditional complaining. However, it is normally discussed within the interactional dimension. For example, customers prefer staff to show sympathy, respond quickly, be helpful, accept the responsibility and respond positively (Spreng et al. 1995). All these practices are considered as a one package (Bradley and Sparks, 2012). There is an assumption that when staff apologise they accept the responsibility at the same time. One explanation of this confusion is suggested by Bradley and Sparks (2012). The authors suggest that service staff either deny causing a problem or they apologize. They can hardly do both. Therefore, when researchers discuss sellers’ response strategies they include responsibility implicitly with the response. However, this research has shown that response and responsibility are different dimensions. Responding to the complainants positively does not necessarily mean accepting the responsibility. Managers/owners might respond positively but at the same time deny the responsibility of the stated failures, they might show sympathy but state some justifications of the stated points. The following example shows a manager/owner started his message with an apology for the complainant for not being satisfied with the hotel. However, he argued that the complainant’ should have read and known about the hotel surrounding area.

“I’m sorry you were disappointed with your stay. We obviously were not what you were looking for, it happens sometimes. As you have taken the time to look on TA, I’m sure you will have realised that occasionally some guests have found the vibrant surrounding area, with bars and restaurants, and indeed our own busy bar and restaurant, not what they are looking for”

That was an example of some responses that include a unique combination of positive response and at the same time responsibility rejection. This has paved the way for adding responsibility acceptance as a new dimension of the online service recovery. Indeed, being online seems to make this attribute a main dimension. For example, previous research has shown that responsibility attribution is an important dimensions of businesses' responses to the public crisis. It can be argued that service failure and unsatisfied customers are not as serious as some crisis such as food poisoning. In the later case, responsibility acceptance might clearly appear as a main dimension of the businesses'

responses. However, being in the public domain has led this attribute to be relevant in the context of complaining online.

Example	code	Dimensions	Main Group
I am sorry to hear that...	Apology	Distributive	Online Response Strategy
I sent you a voucher to show our regret	Refund		
Your feedback is very important to <u>us</u> .	Interest showing	Interactional	
I do hope that you will come back to visit us again in the future."	Faith regaining		
you fail to mention that I did offer you and your wife a free weekend stay with us	Argue		
This woman either has trouble reading or she is just plain rude and ignorant”.	Attack		
it is clear this person is a perpetual moaner	De-personalise		
I agree that whatever the cause of the marks, they should not have appeared in the room	Accept	Responsibility	
The suggestion that we” forced you to leave” is blatantly untrue	Deny		
we were not aware of this problem	Excuse		
Our dinner menu is fixed and offers no choice... This enables us to use all fresh and top quality <u>ingredients</u>	Justify		
you simply should have told one of the staff, they would have done their best to sort it out.	Blame		

Table 12 Developing the Online Response Strategy Group and its Dimensions.

Developing a typology of online response strategies

The second research question was formulated after observing that managers/owners follow different strategies to respond to negative reviews. In order to answer this question the intention was to develop a typology of online response strategies. In this regard, underlining the dimensions of a particular phenomenon is the first step in typologies construction (Bailey, 1994). Therefore

underlining the dimensions of the managers'/owners' response strategies has paved the way for typology construction. Typologies can have one or more dimensions. When there are two dimensions, there will be four types which is a relatively small number. However, when there are more dimensions, three or more as it is the case in this research, this can be a challenge for the researchers as the number of resultant types can be large. In this regard, Bailey (1994) suggests that researchers can focus on the logical combination of dimensions, or the types that are of interest.

In relation to this research, three types were constructed: **responsive strategy, defensive strategy, and diplomatic**. The first strategy, responsive, is a combination of positive response such as apology and refund (distributive dimension), polite interaction such as showing interest and inviting customers to revisit the hotel (interactional dimension) and finally responsibility acceptance (responsibility dimension). Defensive strategy is a combination of rude response (interactional dimension) and responsibility rejection (responsibility dimension). Diplomatic response is a combination of positive response such as apology (distributive dimension) and responsibility rejection (responsibility dimension). These three strategies can be extended by adding a large number of types based on different combinations of dimensions. However, lots of these combinations are either illogical or at least not observable. For example, it is theoretically possible that managers/owners accept the responsibility but at the same time refuse to apologize. However, this might be illogical. Interestingly, data has shown that some managers/owners confirm the stated failures but at the same time blame the customers for not reporting their concerns during their stay claiming that the problem was avoidable and the customer was not cooperative. Therefore, they refuse to take any responsibility. For example, one of the managers/owners stated in his message:

“Those who leave us without complaining to us have no right to complain to a third party”

Another example, it is theoretically possible that managers/owners offer refund but at the same time deny complainants' claims. Yet, such a case is illogical, and more importantly has not been observed in this study or reported in any of the reviewed related literatures. Therefore, the types reported in this study were developed based on the principle of logical combination of dimensions.

3.5.2.4. Offline Response Strategies

This research has found that responding to nCR is not limited to online context. Managers/owners adopt some strategies and might make some changes to in the offline context. These strategies were abstracted as “Offline Response Strategies”. The findings have shown that managers/owners follow different offline strategies which in turn has led to formulate the third research question: what are the offline response strategies that managers/owners follow? In order to answer this question the intention was to develop a typology of offline response strategies.

Indeed, despite the fact that most of the typologies have at least two dimensions, there is what can be called unidimensional typology. This is a form of typology in which cell types are created based on a single categorical variable (Collier et al. 2012). In this case, the typology is constructed around a single attribute or characteristic that assumes different values or levels. In relation to this research, it was found that there are three strategies based on the time of responding:

- 1- Proactive (before the failure and appearance of negative reviews)
- 2- Reactive (after the failure and negative review posting)
- 3- Passive (no responding at all)

3.5.3. Theorizing

Indeed, the steps of analysing qualitative data tend to be similar across different methods (Miles and Huberman, 1994, p.9). However, not all methods are used to build a theory or a model. Therefore, Kozinets (2010) added the theorizing step. Kozinets (2010, p.119) refers to this step as the process of constructing a new theory or a model in close coordination both with the analysis of data and existing literature. It mainly means relating the developed abstracts to each other and finding the relationships between them.

Indeed, there are at least two main views of theorizing in social science. The first view presented by grounded theory and suggests that researchers should follow induction reasoning strategy to build a theory. This means that researchers should approach the data with no preconceptions allowing the

theory to emerge from the data. In other words, the constructs and relationships should be supported by the data. On the other hand, different researchers argue that approaching the data with no preconception is either not possible or not desirable. As mentioned previously, some philosophers argue that all our observations are theory-laden even if we are aware. Based on this view, abduction is the reasoning strategy that should be used for theory building.

3.5.3.1. Setting the model

As mentioned previously, the research questions and objectives were formulated based on the constantly moving from the data to the literature and vice versa. This in turn resulted in deciding to design a model that explains what managers/owners do and why. Deciding to the main aim of the research has helped determine the orientation of the model. The decision, therefore, was to select the most appropriate structure that shows the main entities developed in the previous stages and the relationships between them. In this regard, input-process-output lends itself well to explaining the process of drawing a businesses' strategies in general.

3.5.3.1.1. Input

This part refers to the managers'/owners' perception of negative reviews. It was found in this research the perception of negative reviews has three dimensions: opportunity, threat and quality indication. The perception of negative reviews determines whether they will be processed or no and more importantly how. For example, in terms of the online response strategy, when negative reviews are recognised as an opportunity or quality indication then managers/owners might respond positively to the complainants. Case 5 stated:

“Negative reviews is opportunity, non-complainers is the problem”

On the other hand, when these reviews are recognised as threat, managers/owners might respond negatively and follow a defensive strategy. For example, case 7 stated:

“Some people can get vindictive and nasty about it, and there is really no need for that. If you are not happy, say

you are not happy, I would not stay there again and leave it like that. But some people get nasty about it. It hurts. We take pride in what we do”.

When these reviews are not recognised as opportunity to rasp, threat to face or quality indication to investigate then managers/owners might ignore them and follow no response strategy.

In terms of offline response strategies, the perception of negative reviews leads to more process as will be shown in the next section.

3.5.3.1.2. Process

As shown above, the perception determines whether the reviews will be responded to and how. In terms of offline response strategies in particular, negative reviews need more process to be handled. Negative reviews might be recognised as opportunity, threat or quality indication. However, how to respond to them in offline context can be affected by a number of factors. This study has shown that there are at least three factors that might affect the decision of adopting a particular response strategy. As mentioned above, these factors are:

- 1- Main strategy
- 2- Marketing strategy
- 3- Operation strategy

Recognising negative reviews as opportunity might suggest that managers/owners will respond positively and make some changes in the offline environment. However, even in such a case, the factors mentioned above might determine managers’/owners’ willingness or ability to make any changes. For example, case 2 referred to the operation strategy as a factor that determines his ability to change the breakfast time. He stated:

“some of them have been very gentle, they said: do not you think it is early to have breakfast at 8:30 to 9 on Sunday morning when it is better off to have it 9 to 11? We would love to have it later but we have to get our rooms ready by 2:00 p.m”

On the other hand, negative reviews might be recognised as a threat to face, and at the same time there is a supportive policy “main strategy” that allows managers/owners to respond accordingly. For example, case 5 stated:

“staff should be empowered, every single staff in our chain is empowered”

3.5.3.1.3. Output

As mentioned above, there are different online and offline strategies that managers/owners might follow. What a strategy is adopted is based on the managers’/owners perception of negative reviews in the first place. However, this decision is also determined by a number of factors that might lead to adopt a particular response strategy.

4. Findings

The main objective of this research is to build a model that explains how managers/owners respond to negative reviews. Input-process-output model is represented (IPO). In this regard, the term of IPO is defined as “inputs that lead to processes that in turn lead to outcomes” (Ilgen et al., 2005, p. 519). As shown in figure 18, this framework describes the process of responding to negative reviews at three stages “input”, “process”, and “output”. These three stages serve as the building blocks of the integrated framework (Turner, 2005). The process starts with perceiving negative reviews which have three dimensions, and then processed based on the hotels’ main strategy, marketing strategy and operations strategy. Finally, the response strategy is adopted and negative reviews are responded to. The following sections will discuss these three stages in order starting with perception “input”, Factors “process” and strategy “output”.

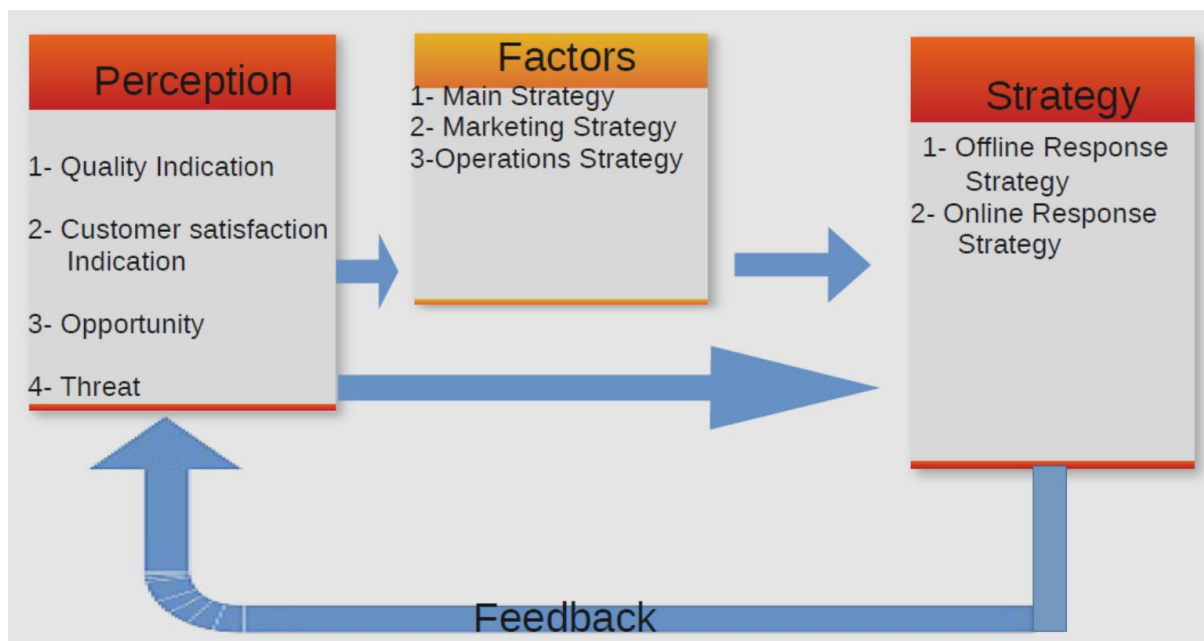


Figure 18: Input-Process-Output Model.

4.1. Perception

It is mentioned previously that the whole research process started by observing TA. After the end of the second stage it was noticed that different managers/owners have different perceptions of negative reviews. This in turn led to formulate a new research question:

How do managers/owners perceive negative reviews?

This study has found that there are three main dimensions of the managers'/owners' perception of negative reviews:

- 1 Quality
- 2 Opportunity
- 3 Threat

The following section will discuss these three dimensions in some details.

4.1.1. Quality

As mentioned in the literature section, service quality is one important antecedents of complaining in general. When customers believe that the service quality is low, they tend to engage in negative WOM (Zeithaml et al., 1996). In terms of customer reviews, they can be a free evaluation report of businesses' service quality. However, sellers' perception of the service quality might be different from the customers'. In the context of the hospitality sector in particular, Saleh and Rayan (1991) found that managers/owners and customers have different perception of the service quality. In relation to this study, quality is introduced as a dimension managers'/owners' perception of negative reviews. Some managers/owners stress that negative reviews is an indication the hotels' service quality. For example, case 5 stated:

“Negative reviews can be the tip of the iceberg”

On the other hand, others argued that negative reviews do not reflect the service quality that their hotels provide. For example, case 8 argued that the negative reviews that his hotel has received over the last five years are not relevant for today and the quality of their service can be measured by the hotels’ popularity and its occupancy rate. He stated:

“There is no need to go back year and years, there is no point looking at opinions five years ago, we have refurbished recently, so we have changed dramatically. They are not relevant for today and tomorrow and going forward....I think we offer very good value for the star rating of the hotel, I think we offer a good service, and I think we are very popular hotel so it must be good. We are one of the business hotels if not the busiest hotel in this area. So, from that point of view we must be providing good service at good rate”

4.1.2. Opportunity

Previous research has shown that complaining can be an opportunity for organisations because it helps them to retain their customers, avoid negative WOM and improve the service quality (Johnston, 2001). In relation to this research, data has shown that negative reviews can be perceived as an opportunity. This has been observed in both stages of this research: netnography and cases. The first stage has shown that some managers/owners show their interest in customers’ feedback and stress that they use them to improve the service quality. The same claims were reported in the second stage. For example, case 5 stated:

“Negative reviews is opportunity, non-complainers is the problem because you simply do not know them. We, for example, start every shift by reading the comments, and say: Ok, what we could have done better? And what are we gona do now tonight...If you notice, there is a trend in negative reviews. So, if a manager is to analyse what area of their business needs to be addressed”

On the other hand, other managers/owners argued that negative reviews might not be enough to make any change. For example, case 8 stated:

“We should listen to everyone and we acknowledge that they are all important but if we have say 400 customers stay in the hotel as we do most of the time, and one of them says I dislikes something, then the other 399 might will say we very much like it. So we have to balance these two things together”.

4.1.3. Threat

As mentioned in the literature section, most of the eWOM research has been conducted from customers' perspective. In terms of negative review, the impact is still inconclusive as some researchers argue that the relationships between negative reviews and customers' decisions or sales is not definite nor linear (Gruen et al., 2006). Indeed, this was one of the rationales of this study, as it is important to understand the scope and nature of the problem from practitioners' view. In this regard, some managers/owners have admitted that negative reviews can be a threat. Rooms' sales is one of the main areas that have been discussed in the literature and reported in this research.

Case 5 stated:

more emphasis is given to negative reviews than to the positive ones. So, if we get a negative review, we have two days to answer it while we have five days to respond to positive review. Because if we do not respond to it quickly and turn it around quickly they will go and tell other people. It's gone past TA, to tweeting thousands of people.

Hotels' competitiveness is also one of the managers'/owners' concerns. Case 2 stated:

"Negative reviews are generally disaster for any hotel or any business because the public prefers to read negative reviews than positive. If you read our reviews we have got lots of positive but the negative ones almost breaks you. Also financially, your position in TA, and popularity ranking can change. We were the number one in this area few weeks ago and we have picked up four and this took us to number two".

Other managers/owners argued that negative reviews do not affect them. The main reason to dismiss any impact of negative reviews is targeting different or special segment. For example, case7 stated:

"Negative reviews might affect some of the smaller ones like across the roads there, but for someone of our size properly not. Because we do lots of coaches. So, where we get our business from is regardless"

Similarly, case 6 explained that the entire TA is not a main concern for them because they target professionals and companies who come for conferences and other activities in the hotel itself or other conference centres in the area.

Another reason to underestimate the impact of negative reviews is the assumption that TA has lost its power in the industry. Case 4 stated:

“TA has lost its credibility. Anybody can write anything. We have got to focus on the positive”

Other managers/owners tend to be partial and unclear about the impact of negative reviews. Case 3 stated:

“The problem is that you cannot quantify it, you cannot quantify anything about it, if you got no customers coming in, possibly, it might be of negative reviews. It is very hard to put a cost against what reviews do for you. However, if you are doing it right in the hotel, you do not need to worry about negative reviews, you know, if you are doing very good job”

Indeed, perceiving negative reviews as a threat is one of the explanations of following defensive response strategy. According to Ashforth and Lee (1991) employees behave defensively when they feel risk or pain. The authors stated “defensive behaviours are intended to reduce perceived threat or avoid an unwanted demand. More specifically, such behaviours are intended to avoid action, demand and/or change”. Managers/owners following defensive strategy tried in many cases to rationalise their actions claiming that they hardly keep with the demand and enjoy high occupancy rate. They also claim that many customers return to their hotels which is an indication of customers satisfaction and service quality. These claims can justify the behaviour of diplomatic strategy when managers/owners respond positively but refuse to accept the responsibility of customers dissatisfaction. However, engaging in long arguments with the customers and being offensive in other cases cannot be explained by these rationales alone. Defensive managers/owners can ignore the negative reviews or respond diplomatically, but their decision to be aggressive and offensive reflects the pain and risk perceived by these reviews. This is what case 7 stated clearly:

“Some people can get vindictive and nasty about it, and there is really no need for that. If you are not happy, say you are not happy, I would not stay there again and leave it like that. But some people get nasty about it. It hurts. We take pride in what we do”.

Many other managers/owners express this feeling in their replies:

“This “dump” is also my home, place of work and livelihood so thank you for that insulting and unnecessary comment”.

“Please take this review off immediately. It is very untrue and is very damaging to the reputation of the owners of this family run hotel”.

4.2. Factors Affecting the Response Strategies

4.2.1. Overall Strategy

According to Smith et al (2009), de-centralisation is one important dimension of any service recovery system. However, in relation to this study, de-centralisation is limited to the big chains rather than small family hotels. It was observed in first stage that, the hotels of each chain follow the same response strategy. Indeed, in one of the cases, the same message is posted by all the branches in all the cases. The message was general and can be used to any negative review as no details are included.

The same practice is observed with the second chain. Most of the branches follow the same response strategy. However, the replies are clearly written to suit every complaint. This was explained by the manager of case 5:

“they tell us how you have to work, there is a culture, they take the managers away and train them to a certain way, we get training, we get system training and we have to look at the feedback we get from them. We will sit down and analyse the feedback and and say : this is the feedback and what we expect from you”

Similarly, the duty manager in the case 6 explained that every manager respond to the reviews of his/her hotel. However, generally speaking the online response strategies are informed by the marketing department of the chain.

4.2.2. Marketing Strategy

This study has shown that the marketing strategy is one of the factors that affect the managers'/owners' response strategies whether online or offline. The target market in particular seems to affect the decision to adopt a particular strategy. For example, case 8 follows diplomatic strategy online. The manager/owner admitted that negative reviews are not their main concern. He stated:

“We very much target that sort of age group that is suitable to our hotel and that is the type of guests who will come to Blackpool mid-week, out of season etc”

Indeed, targeting this segment in particular affects the hotel strategy and their willingness to make any changes. The manager in this case stated:

“We should listen to everyone and we acknowledge that they are all important but if we have say 400 customers stay in the hotel as we do most of the time, and one of them says I dislikes something, then the other 399 might will say we very much like it. So we have to balance these two things together”.

Case 6 explained that TA in general is not a main concern for them. They are not interested in couples but rather focus on professionals, and companies who come for conferences and other business activities. Therefore, the hotel is not worried about negative reviews. The duty manager explained that it is possible to upgrade the hotel to be classified as a four stars hotel if the conference facilities are used as normal guest rooms. However, they prefer to serve professionals and companies. She further explained that the hotel's services are designed to suit this segment of customers. For example, some customers complain that the breakfast is not included. This is because the hotel is more focused on serving their main customers, companies. Additionally, the hotel allows late check-out at 12:00 a.m to give their busy customers more time to leave.

Case 3 follows defensive strategy. The explained manager/owner explained that some customers cannot be satisfied as they have unrealistic expectations.

“We provide good basic accommodation. Some people come here and pay 95 for a room and expect to have room service and everything, we do not do that, if they want room service, park for their car, if they want anything they go to a number of hotels in this area which offer that facility but it is significantly higher tariff than we do”

4.2.3. Operations Strategy

According to Schmenner (1986) services can be classified based on the required level of contact and level of customization. Accordingly, he suggests that hotels fit in the square where low level of customers contact is required and low level of customisation is offered. Smith et al (2012) used this model to suggest that the nature of service recovery system might depend on the nature of the services provided. Indeed, this study gives an example of how the nature of the operations might affect the service recovery system. This study gives some examples of the impact of the operational nature on the managers’/owners’ decisions to adopt particular offline response strategy.

Case 2 stated: “some of them have been very gentle, they said: do not you think it is early to have breakfast at 8:30 to 9 on Sunday morning when it is better off to have it 9 to 11? We would love to have it later but we have to get our rooms ready by 2:00 p.m”

Case 2 also stated: “we had a written complain last year and it took us 12 pages to respond to the customer Because we thought he had to understand how a small compared to a huge international with 600 rooms and hundreds of staff and they could not understand the fact that we have four employees and that big hotel has hundreds of employees”.

Case 7 “This is a small family run hotel, it is not part of any chain. So, I do five or six different jobs, I cannot achieve 100% in all of them, I try, but cannot”

4.3. Response Strategies

1- Online Response Strategies

2- Offline Response Strategies

The following section will discuss these two strategies

4.3.1. Online Response Strategies

The second research question is:

What are the online response strategies that managers/owners follow to respond to negative reviews and why?

Indeed, one of the main contributions of this research is underlying the dimension of online response strategies. Previous research has focused mainly on the customers perspective and therefore the dimensions of service recovery are defined based on customers' preferences (Boshoff, 1999). Therefore, sellers' response strategies are classified explicitly or implicitly into two main groups, favourable and unfavourable. For example, apology and showing interest are favourable strategies while denial and blaming are unfavourable strategies. However, this research has shown that sellers' responses have three dimensions: distributive, interactional (response) and responsibility. Managers/owners do respond to the complainants by offering their apologies and regrets for customers dissatisfaction. However, they might or might not accept the responsibility of the stated claims. Therefore, apology alone might not be classified as either favourable or unfavourable in the context of online environment. Apology can be associated with responsibility acceptance as well as responsibility rejection. This means that the existing typology of sellers' response strategies needs to be extended to include this combination of positive response and responsibility rejection and then examined based on customers' preferences.

Indeed, one explanation of not discussing response and responsibility as two dimensions is the assumption that a favourable response such as apology is associated with responsibility acceptance. In this regard, Bradley and Sparks (2012) stated: "Excuses and apologies are logically incompatible.

Either service staff deny causing a problem or they apologize for doing so, they can hardly do both. Thus, following service failures, staff and their managers need to choose between these explanation types. p. 48”.

Based on these three dimensions, managers’/owners’ response strategies are classified into three main groups:

- 1- Responsive Strategy.
- 2- Diplomatic Strategy.
- 3- Defensive Strategy.

Some managers/owners, however, do not respond to any reviews. Therefore, the fourth strategy is:

- 4-No Response Strategy.

Main Strategy	Dimension	Strategy	Example
Responsive	Distributive	Apology	"I am sorry to hear that you did not enjoy your stay with us"
		Financial compensation	"I sent you a voucher with my private message"
	Interactional	Interest showing	"Your feedback is very important to us."
		Faith Regaining	"I do hope that you will come back to visit us again in the future."
	Responsibility	Accept the Responsibility	"I agree that whatever the cause of the marks, they should not have appeared in the room"
Defensive	Interactional	Argue	"In recognition of our mistake regards the check in date you fail to mention that I did offer you and your wife a free weekend stay with us on your departure but you refused to accept"
		Attack	"This woman either has trouble reading or she is just plain rude and ignorant".
		De-personalise	"it is clear this person is a perpetual moaner this 'type' find fabricated rubbish...etc
		Deny	"All I will say is that we would never use and never have used 'frozen products' as you describe"
	Responsibility	Excuse	"We were not aware of this problem".
		Justify	"Our dinner menu is fixed and offers no choice (other than dietary or personal dislikes) and changes daily with good variation. This enables us to use all fresh and top quality ingredients"
		Blame	"This guest was offered full refund on Saturday morning which was declined
Diplomatic	Distributive	Apology	"We are sorry that you had a poor experience when you stayed with us"

Interactional	Interest showing	"We monitor customers' feedback closely and take genuine complaints very seriously"
	Faith Regaining	"We hope to welcome you back to our hotel in the future"
Responsibility	Excuse	"were not aware that the Coach House was struggling to stay warm"
	Justify	"Our dinner menu is fixed... This enables us to use all fresh and top quality ingredients"
	Blame	"I do feel that your booking agent has let you down not the hotel, they should have put you in touch with the Special Helpdesk"

Table 13: Dimensions of the Online Response Strategies

4.3.1.1. Responsive Strategy

This strategy is a combination of positive response such as apology (distributive dimension) and responsibility rejection (responsibility dimension). In the case of this strategy, managers/owners respond positively to the complainants (apology/showing interest) and at the same time accept the responsibility of customers dissatisfaction. The following section will discuss these two dimensions in some details.

4.3.1.1.1. Distributive Dimension

As mentioned above, this dimension refers to tangible and intangible compensation. Two main strategies have been reported in this research:

- 1- Intangible Compensation (Apology).
- 2- Tangible Compensation.

These two strategies will be discussed in the following section. Tow

4.3.1.1.1.1. Intangible Compensation (Apology)

Apology is a common strategy that most of managers/owner use occasionally in TA. For example,

"Clearly I was very disappointed to read the various comments you made and whilst I do realise that apologies after the event do little to make amends, I do hope you will accept mine and that of the team."

"We are extremely sorry to hear that you didn't enjoy your stay with us"

In terms of dissatisfied customers, it is suggested that customers expect an apology in the first place, and become more satisfied when the managers are included (Silber et al., 2009). However, it is suggested that the impact of apology is moderated by the perceived loss (Nguyen et al., 2012). If a customer thinks that the failure has resulted in a cost or loss, an apology alone will not be enough. In this case customers might expect or require some form of tangible compensation (Bamford et al., 2011). Yet, little is known about the impact of apology in the context of complaining online. This might be an issue to investigate in further research.

4.3.1.1.1.2. Tangible Compensation

In some rare cases, managers/owners offer a financial compensation to the complaints such as sending a voucher, upgrade for the next stay or even free nights. However, this strategy does not seem to be favourable by the participants. For example, case 2 stated:

"it opens the door for everybody to complain even if there is no justified complaints to try to get discount, to try to get free stay...people will start coming and looking for faults, we want them to come and enjoy their stay, if there is a fault we want them to tell us about it"

Previous research has shown that tangible compensation is the most favourable recovery strategy especially when the perceived loss is high (Hoffman, 1999). It is also one of the strategies that researchers normally recommend due to the promising results of their studies (e.g. James et al, 2013). Nonetheless, this research has shown that it is not a popular strategy to follow which has been reported previously in the context of offline context (Michel et al., 2009).

4.3.1.1.2. Interactional Dimension

This dimension refers to the way businesses deal with the complainants. Two strategies were reported under this dimension: interest showing and faith regaining.

4.3.1.1.2.1. Interest Showing

This strategy means that the managers/owners show their interest in the customers' feedback. They might stress that they listen to all customers and appreciate the constructive criticism. Additionally, they might promise to investigate the customers' claims and discuss the issue with the other members in the hotel.

"Your feedback is very important to us."

"Your comments on the vegetables are noted and we will certainly look into this."

"Finally may I take this opportunity to thank you for taking time and trouble, as it is only by receiving feedback such as yours we that we can strive to improve the service we offer"

Some managers/owners might go further and communicate with complainants privately:

"I have sent you a private message to obtain more information about your stay. I look forward to hearing from you and being of further assistance"

In the context of offline environment, studies have shown that many customers appreciate companies that show interest in their feedback (Hansen et al., 2010). However, some researchers argue that customers are more interested in correction action rather than promise to investigate the problems or show interest in the feedback (Johnston et al., 2011). As mentioned in the literature review section, many customers feel that their feedbacks are ignored which prevented them from complaining in the first place (Stone, 2011). With companies interacting with customers online, they can show their interest in these feedbacks.

4.3.1.1.2.2. Faith Regaining

It can be argued that responding to the complainants favourably is an indication of sellers' interest in retaining their dissatisfied customers. Therefore, it is reasonable to assume that in the context of TA, managers/owners have the same intention when they apologize, show their interests in customers'

complaints and contact them directly. However, some managers/owners tend to express this intention explicitly. For example, they might conclude their replies with inviting the complainants to re-visit the hotel again.

"I do hope that you will come back to visit us again in the future."

"I hope you will give us the opportunity to regain your faith in The Place and book again with us."

4.3.1.1.3. Responsibility Dimension

The third dimension of the responsive strategy is responsibility acceptance. Managers/owners following this strategy do not just respond favourably to the complaints using one or more of the strategies mentioned above, but also accept their responsibility of the stated failures. For example:

"I agree that whatever the cause of the marks, they should not have appeared in the room and further action has been taken with the housekeeping team to ensure this does not happen in future".

"It is disappointing that you found the team to be rude at checkout, this is unacceptable regardless of business levels and I apologise that you received less than excellent service."

In the context of offline environment, customers appreciate companies that accept their responsibility and develop positive attitudes toward them (Lee and Song, 2010). This is even more relevant in the context of online. Customers develop positive attitudes about the companies that accept their responsibilities.

4.3.1.2. Defensive Response Strategy

Defensive strategy is a combination of rude response (interactional dimension) and responsibility rejection (responsibility dimension). There is a number of strategies under each dimension as will be shown below.

4.3.1.2.1. Interactional Dimensions

Four responses have been reported within this dimension:

1. Denial
2. Arguing
3. De-personalising
4. Attack

4.3.1.2.1.1. Denial

This strategy is used to deny the occurrence of the claimed problems in the first place.

"All I will say is that we would never use and never have used 'frozen products' as you describe."
"The suggestion that we" forced you to leave" is blatantly untrue – we never asked you to leave".

Indeed, this strategy has been discussed in the context of media coverage of crisis. In this regard, brand crisis tends to be one of the critical issues that companies might face (Dutta and Pullig, 2011). Dutta and Pullig (2011) suggest that brand crisis can be either performance-related which is related to this research or values-related. The researchers found that while the firms have the right to deny the involvement in crisis if this is the truth, customers tend not to accept this strategy regardless the crisis type. Therefore, the researchers conclude that companies might have to provide some logical explanation supported by evidences to convince their customers (Dutta and Pullig, 2011). However, it is warned that if customers find the company is responsible for the claimed problem, its image might be seriously damaged (Erickson, 2011)

4.3.1.2.1.2. Arguing

It can be argued that by posting a reply, managers/owners intend to argue with the complainants. However, this strategy refers to the managers/owners disagreement about complainants' views and their trying to defend their hotels. They might confirm complainants' claims but show their recovery efforts.

“In recognition of our mistake regards the check in date you fail to mention that I did offer you and your wife a free weekend stay with us on your departure but you refused to accept”

Managers/owners in this case might show their commitment to service quality and customers satisfaction and refer to the positive reviews or TA award to support their arguments. They also might argue that they receive positive compliments and feedback from other customers. For example:

“I am surprised to hear your comments regarding unfriendly staff customer service is an area we are always getting praised for. We refer to our awarded Trip Advisor certificate of excellence 2013, readers on this site will recognise the only way to achieve this certificate is in recognition of the over 700 fabulous reviews we receive here on Trip Advisor”

4.3.1.2.1.3. De-personalising

According to Ashforth and Lee (1990), depersonalising can be classified as a defensive strategy. Based on this strategy, individuals might deal with unwanted demand by treating clients as objects or numbers. For example, doctors might refer to the patients not by name but by their malady. They might avoid eye contact and offer patronized answers. In the context of TA, some aspects of such behaviour can be noticed. For example, some managers/owners do not include any of the most common phrases that are expected in any message such “Dear”, “thank you” and “Regards”. They might avoid any direct contact with the complainants and talk about them as a third party. For example, they might start their messages with “Dear readers” or “this person”

“it is clear this person is a perpetual moaner this 'type' find fabricated rubbish to write about wherever they go”.

“Dear Trip Advisor readers. This very successful hotel has spent over....”

4.3.1.2.1.4. Attack

Indeed, attacking complainants in Tripadvisor was the main observation which led to more investigation of the phenomenon of responding to negative reviews in general. Some managers/owners might respond to the complainants very aggressively. They might accuse their dissatisfied guests of being difficult, lying or uncooperative. They also might be even offensive in some cases.

“As you know the first review you posted with a different username was removed as it was/is inaccurate, liable and darn right malicious. Rather than have it removed for a second time, I would prefer to expose you and your lies”

“This woman either has trouble reading or she is just plain rude and ignorant”.

4.3.1.2.2. Responsibility Dimension

This is the second dimension of the defensive strategy. This research has shown that there are three ways of rejecting the responsibility:

- 1- Excuse
- 2- Justification
- 3- Blame

The following section discusses these three ways in some details.

4.3.1.2.2.1. Excuse

Based on this strategy, managers/owners confirms the stated problems. At the same time, however, they refuse to take any responsibility and state different excuses for listed complaints. For example, not being aware of the problem is a common excuse that can be observed. For example:

“were not aware that the Coach House was struggling to stay warm”

“We were not aware of this problem”.

Referring to “external factor” such as the weather or electricity supply are also common excuses. In

such a case, managers/owners claim that the stated problem is out of their control and therefore do not accept the responsibility of any dissatisfaction. For example:

“During your visit we were experiencing some of the coldest weather we have seen in”.

"Based on our location in a rural setting and also set right on the shores of the lake we do have to seasonally deal with a huge number of spiders."

4.3.1.2.2.2. Justification

Managers/owners using this strategy confirm customers' claims. However, they argue that these claims are not failures. For example, some managers/owners might refer to the hotel's policy, market condition or other external regulations. Some hotels might or might not offer a particular service based on their policy. For example, a hotel explained that they have limited options for dinner to be able to offer fresh food:

"Our dinner menu is fixed and offers no choice (other than dietary or personal dislikes) and changes daily with good variation. This enables us to use all fresh and top quality ingredients"

Another example, the hotel manager replied to a dissatisfied customer for complaining that the hotel was not “children friendly”. He explained that they have “no children” policy as shown in their site. Therefore, he refused to take any responsibility of the customer's dissatisfaction:

“ We have the policy of no children for years. This is clearly stated in our site.

Market condition is another explanations that can be observed. For example, charging high price during the season, weekend or busy times is one of the explanations that some managers/owners use.

“Like all hotels, we price according to demand so our prices do tend to be higher during the weekend”

In the context of offline environment, literature has shown that customers expect an explanation of the service failure. In this regard, Michel (2003) suggests that missing explanation does lead to dissatisfaction. However, it is suggested that companies should be careful in their explanation because customers tend to be sceptical (Dutta and Pullig, 2011). Additionally, little is known about the impact of sellers' explanations on complainants. Therefore, by developing a typology of explanation in the context of TA, this study paves the way for further research.

4.3.1.2.2.3. Blame

Managers/owners might blame the complainants for not informing the staff formally of their concerns during their stay.

“If you had any issues with your room or with any aspects of your stay my Deputy Manager or any of the duty managers would have dealt swiftly to rectify any problems you had but as no one was contacted by yourself you gave us no opportunity to help you”

Third party also might be blamed for customers dissatisfaction

“I do feel that your booking agent has let you down not the hotel, they should have put you in touch with the Special Helpdesk who would have made you fully aware of the hotel layout”

4.3.1.3. Diplomatic Response Strategy

Diplomatic strategy is a “mix” between responsive and defensive strategies. Managers/owners might apologise and show their interest in the complainants' feedback as they would do in the cases of responsive strategy. At the same time, however, they do not accept any responsibility. Instead, they tend to disagree with the customers and state their argument to defend their hotels. For example:

" Regarding room rates, we price our rooms in-line with other hotels and guest houses in our area and feel that £44 per person charged for bed and breakfast was a fair price".

"Clearly I was very disappointed to read the various comments you made and whilst I do refute many of your criticisms"

As mentioned above, this strategy is one of this research contribution which means that it needs to be examined based on customers' preferences.

4.3.1.4. No response Strategy

Based on this strategy managers/owners do not respond to any negative reviews. Indeed, this might have been common practice in the past when TA was in its early stages. For example, O'connor found in 2010 that less than 0.5% of reviews had a management response attached. While this study did not use any statistics of find how many managers/owners respond to negative review, it can be argued that O'connor's (2010) figure has increased dramatically. Due to the nature of this strategy it will be discussed in the second stage.

4.3.2. Offline Response Strategies

It was noticed during the first stage of this research that managers/owners refer to the online environment in their responses. For example, they might promise to investigate the customers' complaints, announce that an action has been taken. This in turn has led to the third research question:

What are the offline response strategies that managers/owners follow to respond to negative reviews and why?

The literature of service recovery and complaining behaviour suggest that there are two broad strategies:

- 1- Proactive, and it refers to the procedures that companies might follow to prevent any

service failure.

- 2- Reactive, and it refers to the process of handling customers' complaints.

These two strategies will be discussed in the following section.

4.3.2.1. Proactive Strategy

Three proactive strategies have been reported in this study:

1. Focusing on the service quality
2. Managing customers' expectations
3. Encouraging customers to complain

Each one of these strategies will be discussed briefly in the following section.

4.3.2.1.1. Focusing on the service quality

It is suggested that the best way to handle negative WOM is to be a proactive and introduce the best possible service in the first place (Ennew et al., 2000). This in turn will prevent any service failure or complaining behaviour. This strategy has been reported in this study as some managers/owners reported that they focus on the service quality to avoid any complaints online or offline.

Case 6: "nobody likes to deal with complaints, it is better you do it right first time"

Case 3: "the only thing you can do really is preventing them in the first place by being efficient and providing the service that people expect and the quality of food that people expect. This is the only way to stop them"

Case 7 "There is no need for customers to complain if you do your job properly, you always try your best first"

Case 3 "there are some people who are difficult to satisfy no matter what you do, we are not gona make these people happy but we have got to try our best and prevent giving them the opportunity to criticise us".

4.3.2.1.2. Managing customers' expectations

Dissatisfaction is the gap between customers' expectations and perception. Therefore, it is suggested that businesses should make their customers aware of their offers and services (Oliver, 1997). This practice has been noticed in this study. For example:

Case 5 "There is a quit long introductory leaf: this is what we do, this is what we do, this is what we do. So, you say: this is our package, this is what we offer you, if we fall short in any stage please let us know and we will address it"

This study has shown that this strategy is followed to manage and prevent any dissatisfaction and complaining behaviour in the first place. Additionally, it is used to defend the hotels' position when replying to any complaints online or offline

Case 5 "So, they are clear when they come in what they are paying for, and that is why everyone says you get what is said in their site. They know what they come for. This is what many hotels fall short because they do not say up front these are our standards, this is the brand, this is what you are paying for"

Case 2 "If a hotel goes out to sell itself accurately with its printed media, which is brochures, and its web site, and does not tell any lies on there, then you can always refer back to that and say: you have looked at our web site, and we are not telling anything that we do not do. If you our web site was misunderstood, then we apologise but we do not tell them anything that is not true"

4.3.2.1.3. Encouraging customers to complain

As mentioned in the literature section most of the customers do not complain for different reasons. They believe that their complaints will be taken seriously or the return will not worth their time and efforts beside many other reasons (Stone, 2011). This problem has been highlighted by

managers/owners in their replies to dissatisfied customers. Managers/owners do blame customers for not raising their concerns during their stay and might reject to take any responsibility in such a case. Some managers/owners in this study have challenged this behaviour and encouraged customers to complain when they encounter any failure.

Case 2 “It says in the first page in every information folder: if there is anything bothering you while you are here, please tell us about it and we will address it straight away....we tell them straight away when they are in: tell us while you are here is there is a problem...we hope that everything will be great, but this is an old building sometimes things break..etc please do not suffer in silence, come and tell us and will fix it”

Case 5 “you set the brand out we will give you this, this and this if at any stage you fall short and we will address straight away, if they do not tell you then they cannot come back and say I did not get this”

On the other hand, some managers/owners argued against this strategy:

Case 8 “it is almost invitation that there will be a problem, it is like saying to the customer: you will come across problems”

By reviewing the profile of each of the cases above, it can be noticed that both case 2 and Case 8 are diplomatic while the case 5 is responsive. However, the first two participants who encourage customers to complain are highly rated. The case 2 is the first hotel in its area with less than 10 negative reviews and more than 500 positive reviews. The second case 5, is the 22 in its area with about than 50 negative review and more than 1000 positive review. On the other hand, the case 8, the third case, was the last in its area with more than 1500 negative review. This raises some important questions that could be investigated for further research. For example, is inviting customers an efficient practice that leads to reducing the number of negative reviews, or is it the managers/owners’ confidence that allows them to “challenge” customers? Similar questions can be raised about the third above: is this attitude toward customers’ complaining a result of receiving large number of negative reviews, or is it the service quality that prevents manager/owner from encouraging any complaining behaviour.

4.3.2.2. Reactive Strategy

The main reactive strategy reported in this study is designing a service recovery system.

4.3.2.3. Service Recovery System

Empowering staff, especially the front line staff, is one of the strategies that have been pointed out in the literature (Bowen and Johnston, 2000). Customers normally approach the frontline staff with their complaints and the faster their complaints are addressed the more satisfied they become (Vázquez-casielles and Iglesias, 2010). However, the lack of power and authority to take a decision prevent frontline staff from handling any complaint (Hsieh et al., 2002). Frontline staff might be under great pressure to deal with complainants while they do not have the ability to take a decision or access to the required information.

Indeed, such a concept might be more relevant to the big hotels with large number of staff than to small family hotels where the owner is the receptionist at the same time. In relation to this study, three hotels belonging to three chains were included. Two themes were reported in this study. The first theme was reported by the case 5 as the manager stressed that staff empowerment is part of their strategy to assure customers satisfaction and service quality. The manager stated:

“staff should be empowered, every single staff in our chain is empowered”

On the other hand, the second theme was reported by the case 8. The manager argued against the strategy of empowering the frontline staff stating:

“It only goes to a certain level, cannot have more than a couple of people with the authority, otherwise...(shoulders up), same in any other business, you would not have the person in the front with...open authority”.

5. Conclusion

There is a wide agreement that electronic word of mouth (eWOM) has a great impact on customers and therefore companies. Negative eWOM is particularly critical as information seekers give it more attention. This in turn has led to an increasing interest in this phenomenon aiming to understand the problem and offer the solutions. Nonetheless, most of the studies focus on customers' perspective in particular forgetting that what this negative eWOM is, how it affects business and how it should be handled are parts of the sellers' reality. Organizational perspective has hardly been discussed leaving an important gap in the literature.

In order to fill this gap, this research tried to understand the process of responding to negative review. It mainly tried to develop a typology of online response strategies as well as offline response strategies. Additionally, it sought to provide an explanation of the factors that affect sellers' response strategies. Therefore, using hospitality industry as a context, this research aimed to shed some light on the practitioners' perspective. Netnography combined with multi-cases are used to build a model that shows how managers/owners respond to negative eWOM. Input-process-output model was introduced to explain the process of responding to negative eWOM.

Critical realist stance has been adopted for this research. Based on this stance, reality is mind-independent. However, it is more complex that it can be investigated by one perspective or one research. Additionally, this stance assumes that all the observations are theory laden. Therefore, researchers might not claim that they can approach the data with no conception. Therefore, instead of claiming value-free critical realist adopters claim that they are value-aware. Interpretivist epistemology is adopted.

In terms of the model building, Van de Ven's (2007) approach is followed. Based on this approach, three reasoning strategies are followed:

1. Abduction

2. Deduction
3. Induction

In terms of the research strategies, this is a two-stage research: netnography and multi-case.

In terms of netnography, Kozinets's (2010) approach has been followed:

1. Making cultural entrée, Tripadvisor was selected because it is one of the few sites that allow sellers to respond to the customers. Additionally, it is one of the largest and most active sites.
2. Data collection, data has been collected online through netnography and offline through multi-cases.

The second stage has been multi-cases. The first stage has shown that there are four online response strategies. Therefore, the cases were selected to represent each one of these strategies (ideal typologizing). Four cases were conducted in the first stage (pilot stage) and another four were selected in the second stage.

Data analysis, this step in turn includes three steps:

1. Coding.
2. Abstracting.
3. Theorising.

The findings of this research are represented in "input-process-output model". The input includes, managers'/owners' perception of negative reviews. The research has shown that there are three main dimensions of managers'/owners' perception:

1. Quality indication: some managers/owners believe that negative reviews can be an indication of the service quality and therefore should be closely monitored and responded to online and offline while others argue that there are different mechanisms that can be used to measure the service quality.
2. Opportunity: negative reviews can be seen by some managers/owners as opportunity to improve the service quality. However, others argue that these reviews do not represent the overall satisfaction. Additionally, there are some factors that might affect managers/owners willingness and ability to make any changes as will be shown.
3. Threat: negative reviews are perceived as source of threat as they might affect the sales and

hotels' competitiveness. However, some managers/owners argue that these reviews are less likely to affect them especially those who have target a special segment (old people, professionals)

At the process stage, this study has shown that there are different factors that affect managers'/owners' response strategies:

1. The general strategy, this factor is observed in the big chains where the response strategies are informed by the head office.
2. Marketing strategy, by focusing on a particular segment of customers (e.g. older people, companies) hotels are only willing to make the changes that their customers require.
3. Operations strategy, some of the small family hotels have limited ability to make any changes that customers might require due to the limited resources they have.
4. These three factors explain managers'/owners' online and offline response strategies. However, in some cases, perceiving negative reviews as a threat is the only explanation for defensive response strategy.

At the output stage, this research has shown that there are two forms of responses strategies; online responses and offline responses. In terms of online response strategies, it has been found in this study that there are three dimensions of managers/owners' response strategies:

- 1- Distributive dimension which includes tangible and intangible compensation.
- 2- Interactional dimension and includes some strategies such as showing interest and blame.
- 3- Responsibility dimension and includes that strategies that managers/owners follow to either accept or reject the responsibility of the stated failures.

Based on these dimension, a typology of online response strategy was developed using logical combination of those dimensions as follows

1. Responsive response strategy, this strategy is a combination of positive response such as apology and refund (distributive dimension), polite interaction such as showing interest and inviting customers to revisit the hotel (interactional dimension) and finally responsibility acceptance (responsibility dimension).

2. Defensive strategy is a combination of rude response (interactional dimension) and responsibility rejection (responsibility dimension).
3. Diplomatic response is a combination of positive response such as apology (distributive dimension) and responsibility rejection (responsibility dimension).
4. Some managers/owners do not respond to any negative reviews which therefore led to a fourth response strategy which referred to No Response Strategy.

In terms of offline response strategies, the study has shown that there are two main offline response strategies:

1. Proactive strategies, which refers to the strategies that managers/owners follow to avoid any negative reviews in the first place. Different strategies were reported within this strategy:
 - 1.1.Focusing on the service quality
 - 1.2.Managing customers' expectations
 - 1.3.Encouraging customers to complain
2. Reactive strategy, and it refers to the strategies that some managers/owners might follow after receiving negative reviews. Indeed, the only reactive strategy reported in this research is designing service recovery system. More specifically, empowering front-line staff to be able to handles customers' complaints.

6. Managerial Implications

As mentioned previously, the literature of eWOM and service recovery have been focused on customers' perspective. Therefore, the managerial implications are suggested based on the customers' preferences. The argument of the research, however, is that no managerial implications can be provided without taking into account what managers/owners are able and willing to follow. This research has shown different practices that they follow either online or offline and might be considered by others in this industry.

1- Avoid taking the complaint personally

This research has shown that some managers/owners take the complaints personally and therefore

follow some of the defensive strategies to defend their hotels. Based on Ashforth and Lee (1991), this is a normal reaction as managers/owners might perceive risk and pain when receiving negative reviews. Therefore, they should avoid such a practice especially that their replies might confirm the complainants' claims.

2- Different marketing strategies and not just TA

It is suggested that the internet has changed the way we live, communicate and work. In the context of tourism industry, some researchers have argued that the internet has changed the way hotels as well as other leisure services providers, operate. For example, it is suggested that most of the customers read reviews before making their purchase decisions and book online. This in turn explained why negative reviews have been a concern in the literature. However, this research has shown that there are some hotels who mainly focus on particular segment of customers who might not use the internet for booking such as elderly people or companies who negotiate the price and services with the managers/owners directly. For hotels that suffer bad rating in TA, they can target different groups that might not rely heavily on the internet or TA.

4- Focus on customers' expectations

This study has shown that some managers/owners tend to be proactive in dealing with complaining behaviour whether online or offline by explaining their offers to their customers. As explained by the adopters of this strategy, they do not just reduce the number of complaint by making their offers clear, they also can refer to that when receiving any complaint online or offline.

3- Encouraging customers to complain

It is suggested in the literature that most of the dissatisfied customers do not complain for different reasons related to the sellers' response. Therefore, sellers are recommended to encourage customers to complain when they encounter any problems. This research has shown that this practice is adopted by some of the managers/owners in the tourism industry. They argued that this allows them to be more open and responsive with their guests. Therefore, other hoteliers might follow the same strategy to prevent customers from complaining to third party such as TA.

7. Limitation and Further Research

As mentioned previously, this research follows critical realism and therefore the data collection and process were to some extent laden by the existing theories. The data were collected and analysed based on the researcher's interest. Therefore, based on critical realist, the phenomenon of interacting with customers is still a plain area to discover using other frameworks and theories. For example, during the first stages of this research, different frameworks were reviewed hoping to find a satisfying explanation of responding to the negative reviews. For example, social media, mass communication, customer relationship management and many other frameworks were among the candidates frameworks. Every one of them could have been adopted as they all serve different aspects of the inquiry. However, the decision was made based on the researcher's understanding of the data. Therefore, further research might employ any of these suggested frameworks.

Additionally, this research has focused on negative reviews in particular based on the argument that negative news in general are more influential than positive ones. Additionally, neutral reviews were excluded as customers are not clear whether they are satisfied or not satisfied. Therefore, further research might investigate the phenomenon of interacting with all customers regardless their reviews especially that some businesses have recently built social media teams to interact with customers online. Such a practice might not have been popular when this research started 2010.

Tripadvisor is only one platform of eWOM. There are many other platforms where customers can share their experiences with almost countless number of customers. Facebook and Twitter are only two examples of popular social sites that might be source of opportunity as well as threat. Therefore, further research might investigate the strategies followed across the social media sites.

The cases of this study have been selected based on their tendency to use a particular strategy (intensity sampling). However, most of them, albeit rarely, do follow different strategies. Therefore, there might be other variables that affect their decisions and strategies. Further research might set different criteria to select participants.

As mentioned above, all the cases were selected based on their tendency to adopt a particular strategy. However, there are many other cases that are “extremist” in their responses and could have represented the response strategy more accurately. For example, this study included two defensive cases as they tend to engage in arguments with the customers and hardly accept any responsibility. However, there are some other cases where they have lots of negative reviews. They do not only refuse to accept their responsibility, but become offensive in some cases and ask the complainants not to visit the hotel again. Such cases might have added new insights to the research. However, during the stage of contacting the potential participants, these cases tended to be more reluctant to take part of the study.

This study claims the credit of investigating an important but neglected perspective. Both small family hotels and big chains were included which gave the research different insights. However, the level of accessibility did vary among these cases. For example, while offline observation was possible in some cases, it was not agreed in others. If further research manages to overcome this problem, then longitudinal and ethnography studies might add new and important insights to this area.

This study is qualitative as there is little research in this area. There are still many issues that can be investigated following qualitative methods. However, further research might build on this study and employ quantitative methods to examine the developed model in larger context.

This research has shown that there are different online response strategies that managers/owners follow. The next stage is to examine these strategies from customers’ perspective. Little is known about customers’ requirements, expectations and evaluation of managers’/owners after posting negative reviews. More importantly, information seekers’ perspective needs to be examined. Little is known about the impact of managers’/owners’ responses on information seekers.

8. Research Contributions

To the best of the researcher's knowledge, this is the first study that investigates negative reviews from sellers' perspective. Previous research has focused mainly on the customers' perspective forgetting that the impact of negative reviews and the best way to handle them are parts of the sellers' reality. Therefore, this research contributes to the literature of WOM in general by integrating a new perspective that has hardly been discussed previously. This, hopefully, will contribute to our understanding of the phenomenon of negative reviews in particular. It also paves the way for more research on organisational perspective.

This research also contributes to the literature of service recovery by investigating the recovery strategies in a new context, online. It has developed a typology online response strategies which has been overlooked. This will allow researcher to examine these strategies in further research from customers' perspective.

Previous research has discussed sellers' response as one dimension activity: response favourability. Therefore, sellers' responses are classified into two main groups: favourable and unfavourable. However, this research has shown that the online response strategy has three dimensions: response favourability, interactional and responsibility acceptance. This follows that there are three online response strategies which are responsive, defensive and diplomatic. Diplomatic response strategy in particular has hardly been discussed in the literature and therefore it is one of this research contribution.

Reviewing the previous research of WOM will show that researchers normally give some suggestions of how to handle negative reviews based on their understanding of the customers' behaviour. Van de Ven (2007) warn that such suggestions are only opinions and there is no evidence that they will help managers manage their organisations. Indeed, previous research has hardly taken into account what sellers can or wish to do. This in turn makes these suggestion rather theoretical. On the other hand, some of the suggested managerial implications of this research are reported by the top hotels in their areas which makes them worth further investigation. Additionally, this research shows some of the hotels' limitations that might prevent them from responding to customers'

requirements. This in turn might stimulate more research to find creative ways of responding to customers based on the available resources.

This study has also a methodological contribution. Halkier (2001) has suggested three forms of analytic generalisation that researchers might follow when seeking a theoretical contribution: ideal typologizing, positioning and zooming category. Yin (2014) suggested that following Halkier's (2011) sampling strategies will make a contribution to the literature of theory building. He stated: "if an upcoming case study evaluation were initially to discuss the previous use of analytic generalization, even as a candidate but then rejected practice, the study still could be building important methodological lessons".

This study has contributed to the literature of theory and models building by applying Van de Ven's diamond model and adopting critical realist paradigm. In the recent years, grounded theory has been one of the popular methods used to build a theory. While this method is highly appreciated for its systematic process, it might restrict researchers from using the existing knowledge and literature. Therefore, it might not be appropriate for all topics and for all researchers especially those in their early academic lives. This study gives a working example of an alternative way that might be more applicable for naïve researchers.

9. Reflection

I have learned many lessons during my research journey that I hope will be beneficial for me in my practical life.

1- Learning the research process

I have read lots of text books and studies about doing research. However, there is no alternative to "doing". I understood what it means when academics warn that the process of social research is messy. I realised what it means to be reflective. When I wrote my first research proposal I thought that it was appropriate starting point and little if any would be changed. Now, with this final version it is completely different. I have changed the research questions to make sure that they fill a gap in

the literature, and changed them again as a result of data collection and analysis. I also learnt to balance between the research design and available resources. For example, my plan was to conduct as much as I could of cases. However, the accessibility was a major obstacle and therefore I had to be more careful with the cases I select. Additionally, my main objective was to build a theory. However, as the research proceeded I have found that building a model is more appropriate to my research questions and data.

2- Challenging my own biases

When I started my research 2010 I was concerned about the impact of negative reviews on hotels. This perhaps was a result of holding some assumptions about the negative reviews and their impact which are the main themes in the literature. Therefore, my interest was to set practical guidelines for hotels in particular and sellers in general to follow in their response to this phenomenon. However, I have found that TA and negative reviews are not main concerns at least for some of the hotels. Some of them have their own set of customers and others use different marketing strategies to attract customers. TA, even though the largest web site in the tourism industry, is not as important as I thought it was when I started my research. Therefore, instead of trying to “teach” hoteliers how to respond to negative review, I have learned how to run a hotel.

3- Dealing with the practitioners

As a beginner researcher, I am proud of discussing the research problem from practitioners’ perspective which is normally avoided due the accessibility problems. I spend long time reading the relevant literature and I could have claimed that some themes need to be re-examined in the context of online environment as they have been discussed mainly in the context of offline environment. While this claim can be true, I found that many of themes in the literature of traditional WOM have been re-examined in the context of eWOM. The results in many cases are similar. We have reached a stage where we appreciate the importance of eWOM at least from customers’ perspective. The challenge, therefore, is to advance our knowledge by exploring new areas and integrating new perspective. This has not been easy especially with limited funds and accessibility. However, this study is an example of how we might challenge these obstacles.

4- Dealing with the rejection

Indeed, dealing with the rejection is one of the most important lessons I have learned from this research. No matter who we are and what we do, will come across rejections. It is not easy experience to deal with. I have come across different examples of how to deal with negative reviews. I have seen and heard people talking about how painful this experience is. Some managers/owners try to underestimate their impact, others admit that they take them personally and finally some of them try to think positively and use these review to improve. In the academia, we advise practitioners to deal with complaints neutral and avoid taking it personally. All though this might not be easily achieved, I came across some example who seem to follow this rule. They explained that it is not easy to be criticised in something that they take pride in, but it is more difficult to allow these reviews to affect your personality and career. This lesson was given to me by a young duty manager who was at the time of the interview waiting to be promoted.

10. References

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